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The Permanent Mission of the Republic of Uganda to the United Nations presents its compliments to the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) and wishes to forward herewith the National Report on the implementation of the Istanbul Programme of Action for the decade 2011-2020.

The Permanent Mission of the Republic of Uganda to the United Nations avails itself of this opportunity to renew to the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States the assurances of its highest consideration.

New York: January 13, 2020

The United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States.
New York

Attach...

THE REPUBLIC OF UGANDA

GOVERNMENT OF UGANDA

Uganda's Progress on Implementation of the Istanbul Programme of Action for the Decade 2011-2020

National Report

November, 2019

Executive Summary

The Istanbul Programme of Action (IPoA) adopted at the Fourth UN Conference on Least Developed Countries (LDCs) in Istanbul, Turkey in May 2011, aims at overcoming the structural challenges faced by the LDCs in order to eradicate poverty, achieve internationally agreed development goals and enable graduation from the Least Developed Country Category. The United Nations General Assembly in its resolution 73/242, agreed to convene the Fifth United Nations Conference on the Least Developed Countries in 2021, to undertake a comprehensive appraisal on all member LDCs. Government of Uganda has drafted this report on her implementation of the Istanbul Programme of Action for the decade 2011-2020 for submission to the conference. IPOA aspirations have been well encapsulated in Uganda's National Planning Frameworks. Through, the Second National Development Plan (NDPII2015/16- 2020/21), whose main goal is to propel Uganda towards lower middle income status by 2020, Government has prioritized strengthening the country's competitiveness, sustainable wealth creation, employment and inclusive growth as levers towards the Uganda's Vision 2040.

Uganda is yet to achieve graduation from LDC to middle income status because the country still faces various macro and micro economic challenges as manifested in the following indicators: A high population growth of 3.0 percent currently, low GDP per capita of USD891 in 2018/19 which is below the NDPII target of USD1,039 by 2020; a high proportion of the population living below the poverty line of 8.03 million in 2016/17; although Uganda has managed to achieve an average growth rate of 6.1 percent (2018/19), this is still slightly below the NDPII target of 6.3 percent, the EAC Vision 2050 target of at least 8.5 percent, and the SDG and IPoA targets of no less than 7 percent per annum.

Despite the above, some progress has been registered. Over the last eight years, Uganda's nominal GDP has more than doubled growing from UGX 46.878 trillion in FY2010/11 to UGX 63.74 trillion in FY 2012/13 and UGX 100.53 trillion in FY 2017/18. Subsequently, Uganda's Per capita income increased from USD 506 in 2010/11 to USD 724 in FY 2017/18. National economic indicators have improved, particularly in terms of improved transport network, the national paved road network has since increased from 14.66% of the national road network in 2008 to 21.1% of the national road network in 2017/18, improved access to electricity and innovations in the use of mobile telephones for financial transactions. In terms of efforts to promote Human Capital

Development, various social indicators have improved in the areas of primary school enrolment (including gender parity in primary education), decreasing maternal and infant mortality rates, reduced prevalence and incidence rates of HIV/AIDS, among others.

For countries like Uganda to achieve graduation from least developed to middle income status, there is need to design and implement a mechanism that will require much stronger alignment and integration between the planning, budgeting and budget implementation processes to improve public investment management. Upcoming planning and budgeting frameworks must focus on increasing sustainable production and productivity, value addition and expansion of non-traditional sectors, increased labour productivity and increased export earnings; infrastructure development and investment in production of human capital with required skills.

All the above will curb the prevailing youth unemployment in Least Developed Countries like Uganda and will drive countries towards achieving the goals of IPOA 2021.

Acronyms and Abbreviations

BTVET	Business, Technical and Vocational Training
BUBU	Buy Uganda Build Uganda
CBTAs	Cross-Border Trade Associations
COMESA	Common Market for Eastern and Southern Africa
DRMS	Domestic Revenue Mobilisation Strategy
GDP	Gross Domestic Product
GNI	Gross National Income
EDF	Export Development Fund
EIU	Economist Intelligence Unit's
EVI	Economic Vulnerability Index
FDI	Foreign Direct Investment
HAI	Human Assets Index
ICT	Information and Communications Technology
IPoA	Istanbul Programme of Action
IRCU	Inter-Religious Council of Uganda
JLOS	Justice, Law and Order Sector
LDCs	Least Developed Countries
MDAs	Ministries, Departments and Agencies
NDP	National Development Plan
NDPII	Second National Development Plan
NEDS	National Exports Development Strategy
NPA	National Planning Authority
NTP	National Trade Policy
ODA	Official Development Assistance
OSC	One-Stop Services Centre
RIIP	Regional Integration Implementation Programme
SMEs	Small and medium-sized enterprises
SDGs	Sustainable Development Goals
TEFU	The Elders Forum of Uganda
UBOS	Uganda Bureau of Statistics
UDC	Uganda Development Corporation

UESW	Uganda Electronic Single Window
UIA	Uganda Investment Authority
UN	United Nations
UNDAF	United National Development Assistance Framework
UNSD	United Nations Statistical Division
URA	Uganda Revenue Authority
URSB	Uganda Registration Services Bureau
UWRSA	Uganda Warehouse Receipt System Authority
WTO	World Trade Organization

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Chapter 1: Introduction

1.1 Background

Uganda is one of the Least Developed Countries (LDCs) that adopted the Istanbul Programme of Action (IPoA) during the Fourth UN Conference on Least Developed Countries (LDCs) in Istanbul, Turkey in May 2011. The IPoA is to address the constraints faced by LDCs such as low per capita income, low level of human development, and economic and structural handicaps to growth that limit resilience to vulnerabilities based on the fundamental tenets of mutual accountability and enhanced international cooperation.

Consequently, the United Nations General Assembly in its resolution 73/242, decided to convene the Fifth United Nations Conference on the Least Developed Countries at the highest possible level, including Heads of State and Government, in 2021, to undertake a comprehensive appraisal of the IPoA. Therefore, the Government of Uganda has drafted this report on the implementation of the Istanbul Plan of Action for the decade 2011-2020 for submission to the conference. The report highlights initiatives and policies or actions that have contributed to positive change in meeting the goals and objectives of the IPoA.

1.2 Overall goal and specific objectives of IPoA

The overarching goal of the IPoA for the decade 2011-2020 is to overcome the structural challenges faced by the LDCs in order to eradicate poverty, achieve internationally agreed development goals and enable graduation from the least developed country category. During the implementation of the IPoA, the Second National Development Plan (NDPII) was formulated whose main goal is to propel the country towards middle income status by 2020 through strengthening the country's competitiveness for sustainable wealth creation, employment and inclusive growth which is in line with the IPoA goal.

The following were the specific objectives aimed at enabling half the number of LDCs meet the criteria for graduation by 2020.

a) Achieve sustained, equitable and inclusive economic growth, to at least the level of 7 per cent per annum, by strengthening the productive capacity in all sectors through structural transformation and overcoming marginalization through effective integration into the global economy, including through regional integration;

b) Build human capacities by fostering sustained, equitable and inclusive human and social development, gender equality and the empowerment of women;

c) Reduce the vulnerability of Uganda to economic, natural and environmental shocks and disasters, as well as climate change, and enhance its ability to meet these and other challenges through strengthening its resilience;

d) Ensure enhanced financial resources and their effective use for the countries' development, including through domestic resource mobilization, Official Development Assistance (ODA), external debt relief, foreign direct investment and remittances;

e) Enhance good governance at all levels, by strengthening democratic processes, institutions and the rule of law; increasing efficiency, coherence, transparency and participation; protecting and promoting human rights; and reducing corruption, and strengthen the Governments' capacity to play an effective role in its economic and social development.

1.3 Guiding Principles

A number of principles which continued to guide the implementation of the Programme of Action and fast tracking the attainment of both the above objectives and the realization of the overall goal were identified. These principles include:

a) The country's ownership and leadership;

b) An integrated approach that promotes policy coherence and consistency with international economic, financial and trading systems;

c) Promoting genuine partnership and solidarity with enhanced global support and mechanisms at all levels for the achievement of the IPoA goals and objectives;

d) Focusing on a result orientation where monitoring and assessment of progress under the IPoA contribute to enhancing mutual accountability and effectiveness of development cooperation;

e) Ensuring peace and security, development and human rights, as pillars of the United Nations system and the foundation for collective security and well-being;

f) Ensuring equity at all levels is indispensable for the pursuit of long-term prosperity;

g) Supporting voice and representation through an international system that supports inclusive growth and effective participation for all and at all levels;

h) Balancing the role of the state and market considerations, where every Government commits to design policies and institutions with a view to achieving sustainable and inclusive economic growth that translates into full employment, decent work opportunities and sustainable development.

1.4Approach

Drafting of the report was coordinated by the Office of the Prime Minister (OPM) working with a team selected from implementing MDAs and a Committee comprising Ministry of Finance, Planning and Economic Development (MoFPED), National Planning Authority (NPA) and Uganda Bureau of Statistics (UBOS) chaired by OPM. The review hinged on information collected both quantitatively and qualitatively. Majority was information submitted by the respective sectors and MDAs as per the respective Themes and Priority Areas of Action. Quality assurance was enhanced by the heads of the respective institutions and Cabinet.

Chapter 2: The National Development Planning Process

Uganda aspires to become an upper middle-income country by 2040 as spelt out in the Uganda Vision 2040 which is the country's overall strategy to move from a peasant to a modern and prosperous society in 30 years. The Vision sets out to achieve a per capita income of USD 9,500 as well as improving the wellbeing of all Ugandans commensurate to upper middle-income standards. These aspirations/results will be realized through the implementation of six-five-year National Development Plans (NDP). To date, two NDPs have been developed.

The Second National Development Plan (NDPII) currently being implemented is coming to an end in 2020. The plan set out to achieve a lower middle-income status with a per capita income of USD 1,039 by 2020 with improvements in socioeconomic welfare for all Ugandans. Figure 1 shows the middle-income trajectory defined in the NDPII.

Figure 2. 1: Uganda's middle-income trajectory (NDPII)

A Lower middle income status by 2020, with improvements in socioeconomic welfare for all Ugandans

- ✓ Reduction in poverty levels from 19.7% to 14%
- ✓ Increasing the percentage of national labour-force in employment to 79%
- ✓ Increasing access to electricity from 14% to 30%
- ✓ Increasing access to electricity from 14% to 30%
- ✓ Increasing life expectancy
- ✓ Reducing infant mortality rate from 54 to 44 per 1000 live births
- ✓ Reducing under five mortality from 90 to 51 per 1,000 live births
- ✓ Reducing Maternal mortality from 438 to 320 per 100,000
- ✓ Increasing safe water coverage from 71% to 90%
- ✓ Reducing infant mortality rate from 54 to 44 per 1000 live births

This income goal is aligned to the overall goal of the IPoA of ensuring least development countries graduate from the least development country category. The Plan strategizes to achieve this by strengthening Uganda's competitiveness for sustainable wealth creation, employment and inclusive growth. The key results are: increased exports; reduced poverty; increased employment levels; and, improved socio indicators in health and education. This is expected to be achieved by prioritizing; three critical growth opportunities of: Agriculture, Tourism, and Minerals, Oil and Gas; and two fundamentals of: Infrastructure and Human Capital Development. Specific interventions in these areas are identified under the plan to increase productivity throughout the economy and propel growth by 2020.

In addition to the above, the NDPII financing strategy recognizes the need to increase financing particularly beyond the traditional sources and also ensuring that the plans financing needs are met without compromising macroeconomic stability. The plan also strongly aims to promote good governance to ensure reduction in corruption through the strengthening of rule of law, accountability, transparency, and the adoption of the Human Rights Based Approach to planning and programing which advocates for Participation, Accountability, Non-discrimination, and empowerment. The NDPII development approach therefore links to the eight priority areas of the IPoA.

In order to achieve the goal of reaching lower middle-income status by 2020, a number of development strategies were identified including:

i) Fiscal expansion for frontloading infrastructure investments - NDPII estimated the direct contribution to GDP of these infrastructure projects however, the positive effects of these projects on the economy are expected towards the end of the NDP II period after their completion.

ii) Industrialization – In order for the country to attain the set target, promotion of investment in Agro-processing; mineral beneficiation; and light manufacturing will be critical.

iii) Employment creation through fast tracking skills development - Addressing the unemployment problem would require promoting activities that are labour intensive to absorb semi-skilled workers especially in the industrial and services sectors, as well as, investment in massive skills development programmes for rapid build-up of a skilled labour force that can perform high productive jobs.

iv) Harnessing the demographic dividend – There is need to reduce the country's dependency ratio (the share of young people below working age in the total population) through implementation of policies aimed at accelerating a rapid decline in fertility and increasing productivity of the working age population.

v) Planned Urbanization – implementation of strategic policies aimed at accelerating planned and controlled urbanization to ensure a critical link between urbanization and modernization of agriculture.

As laid in the Comprehensive National Development Planning Framework (CNDPF), the NDPII is operationalised through the sector, ministry, department and Local Government plans. By FY2018/19, 89% (16/18) Sectors, 82% (104/127) MDAs and 94% (153/162) LGs had plans aligned to the NDPII. This shows a growing appreciation for development planning in the country.

Chapter 3: Assessment of progress and challenges in the implementation of the IPoA for the Decade 2011-2020

3.1 Progress towards the IPoA goal

The overarching goal of the Istanbul Programme of Action for the decade 2011-2020 is *to overcome the structural challenges faced by the LDCs in order to eradicate poverty, achieve internationally agreed development goals and enable graduation from the least developed country category.* Uganda as one of the targeted 48 LDCs has attempted to achieve this goal through prioritization in the National Development Plan II (NDPII). The Plan prioritizes investment in five (5) areas with the greatest multiplier effect on the economy; Agriculture; Tourism; Minerals, oil and gas; Infrastructure development; and Human capital development. The effective implementation of the NDPII is expected to lead to an average growth rate of 6.3 per cent and per capita income of USD 1,039 by 2020.

While Uganda is focused towards transitioning into a lower middle-income country by 2020 in terms of policy actions as is espoused in its development plans, it uses GDP per capita and other socioeconomic parameters to measure this progress. The size of the economy has consistently grown in excess of the population growth rate. This has resulted in an increase of GDP per capita, in spite of the very high population growth of 3.0 per cent, making Uganda's population growth rate one of the highest in the world. The GDP per capita as of 2018/19 stood at USD825. However, the increase in the GDP per capita, remains below the NDPII target of USD1,039 by 2020.

Government of Uganda in ensuring implementation of the Sustainable Development Goals (SDGs), mainstreamed the SDGs in the NDPII, Sector Development Plans (SDPs), Local Government Plans (LGDPs) and the respective plans and budgets. The United National Development Assistance Framework (UNDAF) assessment of NDPII indicated an average alignment rate of 76% with complete integration of the Goals dedicated to end poverty (SDG 1), to ensure access to sustainable and modern energy for all (SDG 7), employment and decent work for all (SDG 8), resilient infrastructure and sustainable industrialization (SDG 9).

Uganda like other countries in the sub-Saharan Africa, despite its robust growth over the past decade, has not made significant progress in ending poverty because of inadequate access to reliable electricity supplies, limited coverage of an efficient and interoperable transport network as well as limited coverage of the internet broadband network. Whereas the Country has registered commendable progress in reducing the proportion of the population living below the poverty line from 56.4 % in 1992/93 to 19.7 % in 2012/13, poverty increased to 21.4 % in FY2016/17. In absolute terms, the number of poor people increased from 6.6 million in 2012/13 to 8.03 million in 2016/17. In Uganda, between 2014 and 2017, poverty levels increased among the bottom 68% of the population who are dependent on peasant farming as their main source of livelihood.

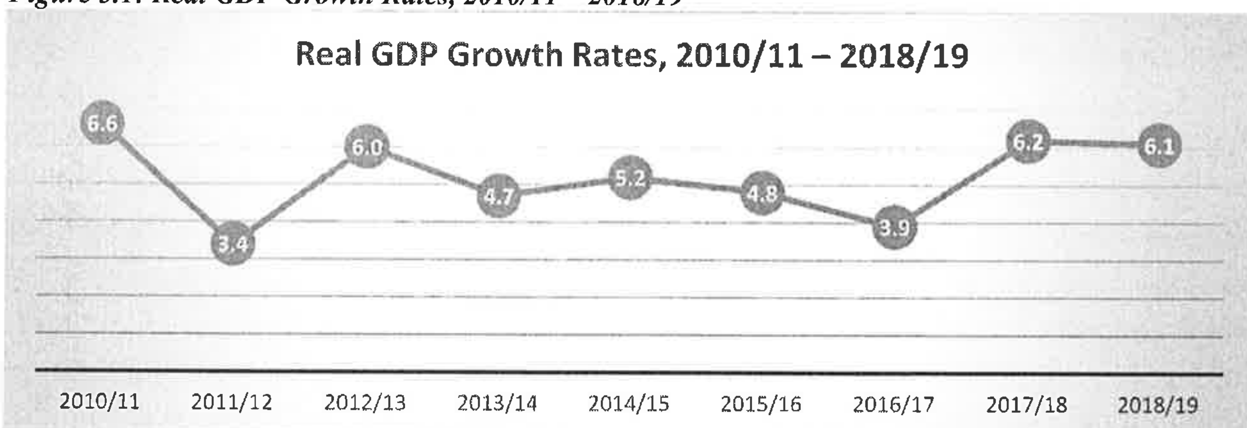
3.2 Progress towards the IPoA objectives

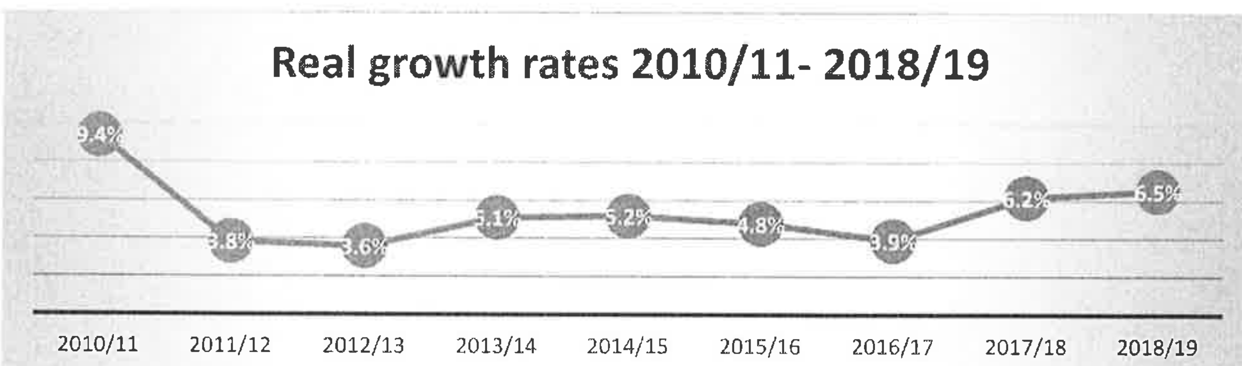
3.2.1 Achieve sustained, equitable and inclusive economic growth

While heavy investment in economic and social service infrastructure has been justified due to the huge deficits, inadequate matching heavy investment in the productive sectors of the economy, this has resulted in less than optimal GDP growth rates, and subsequent low returns on investment. Uganda achieved an average growth rate of 5.2 percent in the IPoA period less than the NDPII target of 6.3 percent, the EAC Vision 2050 target of at least 8.5 percent, and the SDG and IPoA targets of no less than 7 percent per annum (figure 3.1).

Income inequality as measured by the Gini coefficient decreased from 0.426 in 2009/10 to 0.395 in 2012/13 before increasing to 0.42 in FY2016/17. The income inequality, though still relatively low compared to the Vision 2040 comparators, Uganda's level of inequality is increasing.

Figure 3.1: Real GDP Growth Rates, 2010/11 – 2018/19





Source: UBOS and Background to the Budget

3.2.2 Build Human capacities

This is to be achieved by fostering sustained, equitable and inclusive human and social development, gender equality and the empowerment of women. The demographic quality indicators present a challenge to the quality of human capital the country requires. Uganda's human development index (HDI) of 0.516 in 2017, the country continues to be classified in the low human development category - positioning it at 162 out of 189 countries and territories.

Between 1990 and 2017, Uganda's HDI value increased from 0.311 to 0.516, an increase of 66.0percent. In addition, with a human capital index (HCI) of 38%, a child born in Uganda is expected to only achieve 38% of human capital at age 18 given the current state of education and health (World Bank, 2019). The two indices show that the country's human resources are underdeveloped.

Studies show that when women are supported and empowered, all of society benefits. Their families are healthier, more children go to school, agricultural productivity improves and incomes increase. In short, communities become more resilient. Government of Uganda has empowered women and had targeted interventions to support the girl child. Although the UPE objective three (3) aimed to make education equitable in order to eliminate disparities and inequalities, so far only the gender gap has been closed. UPE evaluation findings by NPA, 2018 indicates that the gender gap in enrollment disappeared in the late 2000s. There were more female pupils (50.4%) in 2016 than males. Also, the total number of Women Members of the 10th Parliament is at 33.3% while out of the 30 full cabinet ministers, 9 (30%) are women and also account for 14 (29.8%) out of 47 Ministers of State.

3.2.3 Reduce vulnerability to shocks and disasters

Despite efforts in place, the country continues to be vulnerable to economic, natural and environmental shocks and disasters, as well as climate change. A number of interventions have therefore been put in place to enhance its ability to meet these and other challenges through strengthening its resilience. Uganda's macroeconomic conditions and the entire financial system are generally robust, healthy, and better able to weather the financial storm that occurred in the global economy during the reporting period. Uganda's economy resilience also stems from improved economic policies and institutional frameworks built over the last two decades. There is however, a continued reduction in the forest cover as well as wetland degradation and encroachment which is a threat to the climatic changes. The forest cover in Uganda was reduced to 9.5% in FY17/18 from 20% in 1986/87 while wetland cover was reduced to 10.9% from 13% over the same period.

3.2.4 Enhance financial resources and their effective use for the countries' development

Uganda has undertaken a number of reforms to increase its domestic revenue and consequently increasing its tax to GDP ratio to 15.2 percent in FY2018/19 in order to finance its development agenda. While tax to GDP ratio, has been growing at an average of 0.2 percent, it is still below NDPII target of 16 percent and an annual growth of 0.5 percentage points. The country has also been amongst the top aid recipients across the globe, receiving more than $16 billion in Official Development Assistance (ODA), between 2003 and 2012. Uganda's aid to GDP peaked at 19 per cent in 1992 but has since stagnated at 10 per cent over the last two decades. External resources mobilised in FY2018/19 increased to USD1.28 billion compared to USD1.2 million in FY2015/16. Uganda's Public Debt Stock has been increasing over the past decade with the highest increase of 33 percent attained in FY2014/15 due to large investments in infrastructure and energy projects. Similarly, in FY2017/18, debt accumulation rebounded to 22 percent. This was intended to increase public investment in infrastructure in preparation of oil production while also increasing investment in other sectors[1]. Foreign Direct Investment (FDI) flows to Uganda have been on the rise since the early 2000s, averaging USD 800 million between 2005/6 and 2015/16, where more than US$ 1 billion in FDI was registered between 2012 and 2015 alone. FDI Inflows to Uganda reached an average peak of US$ 1,120million between 2012 and 2014 before declining to US$ 626millions in 2016. Remittances grew by 29 percent between 2014 and 2018. In 2018, remittances to Uganda reached US$ 1.25 million, accounting for 4.5 percent of GDP. Uganda was the second and sixth largest to receive remittances in eastern and sub-Saharan Africa, respectively.

3.2.5 Enhance good governance at all levels

Uganda's political system allows free and fair competition for power and the promotion of democratic governance. The Electoral Commission is established under Article 60 and mandated under Article 61 of the Constitution of the Republic of Uganda 1995 (as amended) to organize, conduct and supervise regular, free and fair elections and referenda, among other functions. Independence of the Commission is enshrined under Article 62 of the Constitution. In the reporting period, the Uganda Human Rights Commission (UHRC) held several human rights workshops with security agencies aimed at eradicating human rights abuses. Consequently, some key recommendations were implemented for example, the Uganda Police Force (UPF) established a Directorate of Human Rights and Legal Services that handles, among other things, complaints about human rights violations carried out by police officers. The clearance rate of corruption cases by the Anti-corruption Division (ACD) increased from 96% in FY2016/17 to 97.7% in FY2017/18 while the clearance rate for complaints against lawyers, police and JLOS officers increased from 75% in FY2016/17 to 97.7% in FY2017/18.

3.3 Progress on priority areas of action

This section provides a detailed synthesis of the specific actions to be implemented in the decade, 2011-2020. The actions were organized around eight priority areas as follows:

i) Productive capacity (Infrastructure, Energy; Science, technology and innovation; and Private sector development);
ii) Agriculture, food security and rural development;
iii) Trade;
iv) Commodities;
v) Human and social development (Education and training; Population and primary health; Youth development; Shelter; Water and sanitation; Gender equality and empowerment of women ; and Social protection);
vi) Multiple crises and other emerging challenges (Economic shocks; Climate change and environmental sustainability; and Disaster risk reduction);

[1] Report of the Committee on National Economy on the State of Indebtedness, Grants and Guarantees, June 2018

vii) Mobilizing financial resources for development and capacity-building (Domestic resource mobilization; Official development assistance; External debt; Foreign direct investment; and Remittances); and

viii) Good governance at all levels. Progress on each of the priority areas is detailed below.

3.3.1 Productive Capacity

Government of Uganda has in the medium-term prioritised investment in infrastructure which is key to increasing the productive capacity in key sectors. Specifically, focusses on increasing production, productivity and value addition in the key growth opportunities as well as increasing the stock and quality of productive infrastructure (transport, energy, ICT). Though the contribution of agriculture to total GDP has reduced from 25.5% in FY2012/13 to 24.2% in FY2017/18, the percentage of people employed in agriculture remains high at 68.4% in FY2017/18. Hence, productivity in agriculture remains low at USD708 in 2016/17 compared to USD3,948 for industry in the same year. The country has now a dual economy where the productivity and wealth of those engaged in manufacturing and other industries is rising while productivity and real incomes in rural agriculture remain low. The next plan prioritizes value addition in key growth opportunities.

Agriculture remains largely rain fed and practiced using traditional methods and equipment. Use of fertilizers and irrigation is negligible. It is characterized by cycles of "gluts" and "shortages" driven by changes in rainfall patterns and prices. Infrastructure, Energy; Science, technology and innovation; and Private sector development have been identified under IPoA as areas to unlock the productive capacity.

Government of Uganda focused on investing in Infrastructure and Human Capital Development to facilitate exploitation of growth opportunities (Agriculture, Minerals, Oil and Gas, and Tourism). Tourism as one of the key priorities of government registered significant progress. Visitor arrivals increased from 945,899 in 2010/11 to 1,505,669 in 2018, which earned the country foreign exchange revenue amounting to USD 1.6 billion in 2018 from US$ 662m in 2010 and US$ 1,085 million in FY2013/14. Most of this growth in earnings is attributed to improved security and political stability and to some extent improved tourism infrastructure and organizing marketing in key source markets in Germany, UK and North America, among others. The improved security situation in the country undoubtedly contributed to this healthy growth. The contribution of the tourism sector to GDP grew from 7.6 percent in 2010/11 to 9.9 percent in FY2014/15 before declining to 7.3 percent in FY2017/18.

3.3.1.1 Infrastructure

The IPoA targeted a significant increase in combined paved road mileage, rail, sea and air networks by 2020. To this end, the national paved road network has since increased from 3,050 km (or 14.66% of the national road network) in 2008 to 4,551 km (or 21.1% of the national road network) in FY2017/18 and to 4,971 Km (23.8% of the national road network) in FY2018/19. The national road network is at 20,854km in total length including the paved National Roads network. The total paved road network is now 1,029 km short of the NDPII target of 6,000 Km by 2020. The average annual rate of production to meet the target would be 500km equivalent per year, however, the average rate of production has been 340km equivalent per year. Additionally, the national road network in fair to good condition was 93% for paved roads and 75% for un paved roads a head of the NDP targets of 85% and 72% respectively.

The number of air traffic (international) passengers has been increasing steadily since FY2010/2011 from 1.13 million to 1.92 million in FY2018/19 while air traffic cargo has increased over the same period from 46,665 tonnes in FY2010/11 to only 62,127 tonnes in FY2018/19. In FY2018/19 rehabilitation and expansion of Entebbe International Airport attained overall physical progress of 67.5% while Kabaale international airport development attained 27.5% physical progress. The freight cargo by rail slightly increased from 3.5 percent in FY 20/10/11 to 8.3 percent in FY2017/18 and 9.1 percent in FY2018/19. In addition, the rail freight cargo increased from 7.5 net tonne km in FY2017/18 to 39 net tonne km in FY2018/19. The increase is due to the rehabilitation of the railway line and opening the southern route through Port bell.

Access to the internet (specifically broadband) remains low due to limited coverage and the cost of accessing it remains high. By end of FY2016/17, the total optical fibre network both Government and private owned spanned 12,000 kms covering 49% of the districts and 24% of the sub counties. 40% of communities indicated that internet access point was available in their area (UNHS, 2016/17). The number of internet users has increased from 13 million in 2015 to 18.8 million in 2017 translating to a penetration rate of 45.4%. This is far from meeting the target to provide 100 per cent access to the Internet by 2020.

Challenges and Mitigations

i. **Dilapidated Road Network.** Most of the roads need overhaul as they have outlived their existence and the road repairs tend to be too costly and serve little or no value as new potholes continue to develop.

ii. **Inadequate Road Network**: The road network in Kampala has limited capacity and was not built for the high-volume traffic of recent years that has contributed to severe congestion.

iii. **Lack of adequate road reserves**: Most roads are unplanned and lack adequate rights of way for improvement. This makes road improvements very costly as the required geometrical designs cannot be achieved without significant resettlement and acquisition of rights of way.

iv. **Lack of safe None Motorized Transport facilities**: Although most trips are pedestrian, there is a lack of pedestrian facilities on most roads. In many cases pedestrians are forced to share carriageways with vehicles exposing themselves to accidents. Provision of walkways and cycle paths is hampered by lack of right of way and limited funding.

v. **Lack of an integrated and affordable public transport system**: The public transport system is fragmented and dominated by low capacity minibuses and motorcycles locally named "boda bodas". A mass transit system is needed to serve as the back bone of the transport system especially in Kampala and other urban towns.

vi. **Under Funding**: The combined funds available to road construction from Government allocations and other sources of finances are insufficient to finance the needed infrastructure improvements that address the continuous growth of traffic

3.3.1.2 Energy

The Energy and Minerals Development (MEMD) sector is making significant progress towards the achievement of internationally agreed development goals. Uganda is endowed with a diversity of energy resources unevenly located across the country. Energy from biomass accounts for about 87% of the energy consumed in the country and constitutes the main energy resource for the majority of the country's households for cooking and lighting. Uganda has a total primary energy consumption of 15.2 million tonnes of oil equivalent (Energy balance 2018) compared to 18.84 million tonnes in 2016 representing 9.8% increase in total primary energy consumption.

Investment in economic infrastructure has increased the country's generation capacity from 601MW in FY2010/11 to 1,182MW in FY2018/19. This follows commissioning of 183 MW of Isimba Hydropower on 21st March 2019. As a result, access to electricity has increased from 11% in 2010 to 24% in FY2018/19 and the cost of energy has reduced from USD 9 cents and USD 16 cents in FY2012/13 to USD 8 cents and USD 9.8 cents for extra-large and large industries in September 2018, respectively. The generation tariff for electricity generated from the Isimba Power Plant is US Cents 4.16 per unit, making it among the cheapest in the country. This would be applicable for the first 15 years of the term of the Licence, after which it would reduce to US Cents 1.01 per unit of electricity generated and sold to Uganda Electricity Transmission Company Ltd (UETCL).

Uganda's energy consumption is among the lowest in the world. It is amongst the countries with the lowest levels of electricity development as well as lowest per capita electricity consumption. Despite the electricity consumption per capital improving from 75 kWh per capita in FY2010/11 to 100 kWh per capita in FY2017/18, it reversed to 78.5 kwh in FY2018/19. This is however, far below the NDPII target of 578 kWh per capita in FY2019/20. Although government has an institutional framework in energy production, trade and distribution, there are still capacity gaps despite the trainings in ensuring access to energy for all by 2030. The lack of capacity in staffing is evidenced by a delay in execution of works due to inadequate staffing levels.

Investment in the mineral sub sector has led to the development of Sukulu polymetallic phosphate deposit and entry of new cement factories (Simba cement, Tororo cement and Kampala cement). For the Sukulu phosphate and Steel project, phase one of the dressing plant and fertiliser plant was commissioned on 23rd October 2018. In the oil and gas development, the lead investor for the refinery development, M/s Albertine Graben Refinery Consotium (AGRC) progressed with the Front-End Engineering Design (FEED) that will inform the Final investment decision (FID) of the Refinery Project. On the East African Crude Oil Export Pipeline (EACOP), negotiations of the

Host Government Agreement (HGA) between government of Uganda and the Joint Venture Partners are progressing. The land acquisition process for the refined products pipeline corridor is progressing with development of a Resettlement Action Plan (RAP) study through a consultative process.

Solar energy: Solar and wind are increasing their contribution to Uganda's electricity generation mix due to decreasing costs of solar and wind due to constantly emerging innovations. As of May 2019, 50.1 MW of solar based power plants were connected to the national grid. These include: Soroti solar (10.1MW), Tororo solar (10MW), Kabulasoke solar (20MW), and Mayuge solar (10MW).

Electricity Transmission infrastructure: Transmission losses decreased from 5.7 percent in 2001 to 3.76 percent in 2018 as a result of strategies implemented by UETCL. Current transmission losses in Uganda are among the lowest in SSA. Consequently, a total of 1,278.9 km of electricity transmission lines were added into the network from 2014 to date and this brings the total length of High voltage grid circuit length to 2,905.8 km.

Electricity Distribution infrastructure: Electricity distribution accounts for the highest technical and commercial losses on the entire grid. A significant losses reduction was registered from 35% in 2007 to 19% in 2015 and 17.36% in FY2017/18. Government has implemented over 10,000 km of Medium Voltage (MV) power lines an approximately 9,000 km of Low voltage (LV) distribution power lines. This has translated into connection of over 700,000 customers onto the national grid (increasing rural electrification access rate from 1% in 2001 to over 13% in 2019). To date, all district headquarters with the exception of Kaabong, Kotido, and Buyende which are under implementation and Buvuma that is under feasibility study stage have been electrified. 62% of Sub counties in the country are electrified.

Fiscal Domestic and Foreign Direct Investment in Minerals: Mineral resources of Uganda and the investment climate have attracted increased FDI in the sub sector rising from US$ 5 million in 2003 to over US$ 1.63 billion in 2018. During the NDPI and NDPII period, the contribution of minerals to GDP growth increased from 0.3% in FY2012/13 to 0.6% in FY2017/18. Similarly, revenues from licence fees and royalties increased from US$ 0.5 million in 2003 to US$ 14.6 million in 2011.

3.3.1.3 Science, technology and innovation

Government in June 2016 created the Ministry of Science, Technology & Innovation (MoSTI) in recognition of the need by Government to explicitly prioritize issues relating to the Science, Technology and Innovation (STI) as a key driver for Economic Development. The NDPI and NDPII prioritised science, technology and innovation capability and the importance this has on improving global competitiveness. Specifically, the fifth NDPI objective was "Promoting science, technology, innovation and ICT to enhance competitiveness" while in NDPII, ICT was one of the priorities. The NDP emphasises the importance of technology. Expenditure on science, technology and innovation has continued to be low having slightly increased from 0.3 percent of the national budget in FY2010/11 to 0.7 percent in FY2018/19. This did not even meet the first NDPI target of 2 percent.

Uganda National Council of Science and Technology (UNCST) continued to support scientists to develop value added products as well as research products with viable commercial potential. This was done through the government support to scientists. However, there is need to have a fully-fledged research and development financing mechanism. In order to improve the enrolment for science education and training in public and private schools, tertiary institutions and universities, the ratio of Arts to Science graduates improved to 3:1 from 5:1 although this was still below the target of 2:1

However, the sector faces a number of challenges which limit its performance including: lack of the required critical mass of scientists and retaining them in the sector; limited commercialization of research results and utilization of acquired patents; insufficient physical and technological infrastructure; expensive innovation infrastructure and inputs (R&D expenditures, training scientist and engineers, laboratory equipment, universities, and public research institutions); realizing innovation outputs takes time (scholarly publications, patents, profits, economic growth, productivity, new products and commercialization); and, a fragmented National Innovation System.

3.3.1.4 Private sector development

Credit to the private sector has increased, but at a slow rate compared to the growth over the first half of the IPoA period. At the end of June 2018, the total outstanding credit to the private sector was 21.8% of GDP, compared to 20.6% of GDP as of June 2015. This has since increased from 11.5% of GDP in June 2010. Accordingly, the ratio of private sector credit to GDP increased by 1.2 percentage points over the over the second half of IPoA compared to 6.5 percentage points over the first five years of IPoA.

Government has had lots of efforts to leverage Private Sector Investment in productive sectors of the Economy. In the reporting period, Uganda Development Corporation (UDC) was revitalised but is yet to bankroll key investment projects. Following Government appreciation of the challenges that came with privatisation, especially, failure to attract private sector investment in critical but high-risk investments and those requiring large capital investment, Government re-established the Uganda Development Corporation (UDC) to serve as the investment arm of Government. The UDC Act was passed and assented to by the President in 2016. From NDPI to NDPII, UDC has been executing projects in the agro-processing, tourism, energy and mineral development. These include: Agro-processing (Soroti Fruit Factory; Luwero Fruit Factory; tea factories in Western Uganda, Atiak Sugar Factory); Mineral development (Cement, Glass, salt and Iron ore).

3.3.2 Agriculture, Food Security and Rural Development

Agriculture plays an important role in Uganda by promoting food security and being a source of livelihood for majority of Ugandans. However, challenges still exist. As of January, 2017[2], an estimated 10.9 million people in Uganda were experiencing acute food insecurity, of which 1.6 million were in crisis reflecting a high magnitude of hunger. In addition, 40% of the population was not able to meet the required daily dietary intake of 2200-Kilo calories and 16% of the households were chronically undernourished.

The nutritional quality of the foods consumed in the country is low. The most consumed food stuff in Uganda are staples (cereals, roots, tubers and bananas), which are normally relatively cheap foods but are generally low in nutritional density due to low protein and micronutrient deficiencies except beans and ground nuts. Therefore, both dietary quantity and quality remain key challenges in ensuring that all Ugandans are hunger free and nutrition secure. Despite poverty levels increasing from 19.7 percent in FY2012/13 to 21.4 in FY2016/17 and short of the FY2019/20 target of 14.2 percent, the Average nominal household Income increased to UGX 416,000.

An action plan was developed in 2017 to have a zero hunger Ugandan society. The plan focuses on delivering four objectives: 1) Achieve 80 percent food security in the country by 2025; 2) Achieve 75 percent Nutrition Security across all age groups and geographical locations; 3) Improve food handling (food safety and wastage) across the entire food chain; and 4) Efficient coordination and partnerships.

3.3.3 Trade

The IPoA noted that half of least developed countries' exports flow to developing countries. There was therefore a need to significantly increase the share of LDCs' trade in global trade with the aim of doubling the share of their exports in global exports by 2020, including by broadening their export base.

In terms of trade development, exports increased by 7.23% (US$ 2,980.86 - 2,696millions) and imports reduced by 16.42% (US$ 5,489.97 to 4,715.51millions) in the financial year 2017/18. Despite this, the balance of trade has remained negative for the last decade due to low value and volume of exports of which the proportion of manufactured goods in total exports remains below 10%.

Trade Development and Export Promotion

The National Trade Policy (NTP) adopted in 2007 provides overall policy direction to sector interventions with the vision to transform Uganda into a dynamic and competitive economy in which the trade sector stimulates the productive sectors.

The Mission of the Policy is to develop and nurture private sector competitiveness, and to support the productive sectors of the economy to trade at both domestic and international levels, with the

[2]Integrated Food Security Phase Classification (IPC) report, 2017

ultimate objective of creating wealth, employment, enhancing social welfare and transforming Uganda from a poor peasant society into a modern and prosperous society. The 10-year Policy and Plan is currently undergoing review. However, the Policy has provided policy direction on diversifying and expanding Uganda's export base as elaborated below:

1. **Legal and Regulatory reforms:** The Trade sector recorded a number of achievements in terms of strengthening the trade policy and regulatory environment in Uganda. These include legislative development of laws that were enacted by parliament: Trade Licensing Act as Amended (2013), Sale of Goods and Supply of Services Act, The COMESA Treaty Implementation Act.
2. **Policy development and strategies:** the Cabinet endorsed the following: National Policy on Services, Trade, Buy Uganda Build Uganda (BUBU) Policy, Packed Water Policy, National Export Development Strategy, Ratification of the EAC-COMESA-SADC Tripartite Free Area Agreement (FTA), Ratification of the WTO Trade Facilitation Agreement, and Ratification of the African Continental Free Trade Area (AfCFTA).
3. **Private Sector support:** Uganda operationalized implementation Strategy of the Buy Uganda Build Uganda (BUBU) Policy resulting into creation of demand by Government infrastructure development projects from local companies especially in the cement and steel sub-sectors, strengthening Commercial Extension Services in local and steel sub-sectors.
4. **Expanding Commercial Service:** Strengthening Commercial Extension Services in Local Governments through the Commercial Services Conditional Grants. In the FY2017/18, a total of UGX 2.3 Billion was released as conditional non-wage grant to all Local Governments country-wide and the Ministry has continued to undertake trainings for DCOs to enhance their capacity to deliver commercial services.
5. **Promotion of Cross Border Trade** through development of border markets, negotiation of bilateral economic cooperation agreement with other countries such as DRC to enhance access to regional market and implementation of the simplified trade regime. Uganda has supported establishment and operations of "Trade Information Desk" at all the main border points, with a Trade Information Officer to assist traders in filling the cross-border trade customs documents.
6. **Standards Development**: UNBS developed 357 national standards in 2016/17 and 254 standards in 2017/18. These standards were largely developed to support the Buy Uganda Build Uganda (BUBU) policy and the industrialization agenda of Government.
7. **Product/ Systems Certification**: certification activities were scaled up translating to issuance of 849 products and systems permits in 2017/18 from 899 in 2016/17 aimed at supporting Small and Medium Enterprises access to regional and international markets, by granting them the quality mark, which is a requirement under the East African Community.

8. **Strengthened Uganda Development Corporation (UDC)** to spearhead establishment of strategic industries. The Government has constructed two factories i.e. Atiak Sugar Factory and Soroti Fruit processing factory. In the pipeline, three more tea factories, cement, lime & Marble plan, Luweero Fruit Factory are to be established.

9. **Support to Uganda Warehouse Receipt System Authority (UWRSA).** It was established to regulate and promote the use of commodities as collateral against which credit can be advanced to enable producers and traders to defer a sale until prices appreciate. A total of 1,093 storage facilities with capacity of 901,150 MTs have been profiled so far; developed and simplified the Warehousing and Warehouse Standard for Bagged Grains (US 1648:2016) and Procurement and interface of the e-WRS on e-trade portal.

10. **Export Promotion**: Over 181 companies have been registered as exporters in the Exporters database; mobilization and training of exporters to participate in the Conventions; Identified a direct market for tea exporters in Iran; 50 SMEs companies trained on improving their performance. 132 producer groups of sesame in the 7 selected sesame growing districts trained in export quality management. Over 80 Fruits and Vegetable potential exporters have been trained on quality and export requirements to reduce on the current interceptions to EU market.

11. **Trade Facilitation Programmes**: Uganda embarked on national and regional programmes to facilitate the smooth flow of trade.

    a. The One-Stop Portal for export, import and transit information in Uganda (eTrade Portal). It is an online platform where all the information regarding export, import and transit of goods in Uganda is available to traders, Government agencies and all interested parties. The portal so far covers 25 institutions, 10 products and procedures for 6 key border markets. Since January 2014, all customs-related documents are submitted through ASYCUDA World which interfaces well with other EAC Software for efficient and faster clearance of goods.

    b. The Uganda Electronic Single Window (UESW), an electronic portal connecting various agencies involved in the regulation or control of imports. Importers may utilize the system to track the status of every stage of document clearance. The system has cut clearance time for imports and exports by over 25%.

    c. Implementation of a web based Non-Tariff Barrier (NTB) Reporting System has helped in easing and enabling the reporting and resolution of NTBs among trade facilitating institutions. This, in turn has reduced on the delays and costs of moving goods in and outside of Uganda across trading member States. Currently, 86% resolution of all NTBs reported through the system reducing movement of goods from Mombasa to Kampala from 21 days in 2011 to 4 days in 2018.

d. The Uganda Investment Authority (UIA) provides a one-stop services centre (OSC), where investors can register their business with the Uganda Registration Services Bureau (URSB); deal with tax and other registration issues with the Uganda Revenue Authority (URA); and organize work permits and residency issues with the Directorate of Citizenship and Immigration Control. The one-stop facilitation services centre has made it easier to start a business in Uganda, by streamlining procedures and making them simpler and faster, and introducing modern technological and communication tools.

e. Uganda has operationalized five Border Export Zones and implemented the Simplified Trade Regime for cross Border traders. A programme supported by EU under COMESA Regional Integration Implementation Programme (RIIP). Similarly, the Government of Uganda, through support from World Bank and TMEA, has constructed 8 Border Posts at Busia, Mutukula, Malaba, Elegu, Mirama Hills, Mpondwe, Goli and Katuna.

12. **Expansion of markets through regional and international trade agreements.** The East African Community and COMESA Trading Bloc has been the main destination for Uganda's formal exports for the last decade with a share in total of export earnings increasing on average throughout the years from 26.5% in 2005/6 to 51.23% in FY2017/18 for the COMESA market. Other critical markets include; the Tripartite, African Continental Free Areas and the WTO.

Challenges encountered

a. Inadequate Trade Sector Funding: The total budget sector allocation has remained low compared to other sector allocations in the national budget. This has affected effective implementation of the National Trade Policy and Plan.

b. Limited production capacities and low levels of value addition

c. Poor post-harvest handling

d. Financing that is skewed towards importation,

e. Information asymmetry

f. Limited financing for Export Development to address challenges related to financing for export development. The NEDS proposed setting up an Export Development Fund (EDF) that would focus on financing export-oriented initiatives at sector and enterprise level for the priority products and services, with all activities along entire value chain eligible for financing.

g. Limited storage Infrastructure capacity for effective post-harvest management to address the challenge of the volatility of the prices of agricultural products.

3.3.4 Commodities

Government of Uganda in the medium term has prioritized value addition in key growth opportunities and industrialization aimed at reducing vulnerabilities associated with external economic shocks, such as commodity price volatility and reduced post-harvest losses. However, to date, Uganda's production (particularly industrial production) levels are small, inconsistent and unable to secure and maintain markets. Also, due to poor certification systems, the quality of the country's products is poor and non-standardized. To this end, the level of manufactured exports in total exports is low and has been declining. Between 2012 – 2016, manufactured exports as a percentage of total exports declined by 12%. Additionally, absence of export credit guarantee schemes and/or an export fund to mitigate the inadequate capitalization of export businesses has limited the growth of our exports. Our export base is still small and dominated by export of raw materials with low value addition.

The UNCTAD by 2018, estimated Uganda's merchandise exports concentration at 0.25. This is based on the Herfindahl-Hirschmann index. A more concentrated export structure indicates higher vulnerability to shocks, as a relatively larger part of the export-oriented sectors can be potentially affected by shocks in specific product markets. To guard against export-oriented shocks and attract more foreign exchange earnings, Uganda will need to stimulate exports by addressing the supply side rigidities that hinder faster growth of imports. This is largely in the areas of supply logistics, slow-paced industrialization to support value addition and costs of inputs such as electricity.

3.3.5 Human and Social Development

3.3.5.1 Education and training

Universal access to free primary education: Since 1997, the Uganda Government has been implementing the Universal Primary Education (UPE) policy and in 2018, the National Planning Authority (NPA) conducted an independent comprehensive evaluation of UPE policy to inform wide ranging policy planning and implementation improvements. UPE has contributed to a more than threefold increase in total primary school enrolment from 2.7 million in 1996 to 8.5 million in 2016 (EMIS, 2016). Increased access to primary education has led to more than double the average years of schooling from 3.4 years in 1995 to 7.6 years in 2017. Notwithstanding the impressive performance in access to education, underperformance on quality and retention of learners in schools has been registered. Whereas UPE objective 2 is to ensure the completion of the primary cycle of education, only 38% of children that enrol in P1 survive till P7. The UPE policy remains relevant, pro-poor and has largely fulfilled its primary objective of increasing equitable access though it falls short on quality. Government has now introduced the teacher policy and early grade reading as some of the mechanisms to improve the quality of education.

Increased access to secondary, tertiary and vocational education and skill development training: In the education sector, infrastructure investment at parish and secondary positively impacted on primary and secondary school enrolment and also all regions of the country have a public university. This has resulted into increased literacy rate of persons aged 10 years and above which currently stands at 74% in FY2016/17, a slight increase from 70% in FY2012/13. Skills development has also been facilitated by refurbishment and establishment of technical and vocational institution especially at district level (55%). Consequently, enrolment into Business, Technical and Vocational Training (BTVET) institutions increased from 25,262 to 129,000 between 2008 and 2017. Progress has also been registered towards the establishment of the 4 centres of excellence at UTC Elgon for Civil works and building technology; UTC Lira for Highways construction and drainage, bridges and road construction; UTC Bushenyi for food manufacturing and food processing; and Bukalasa Agricultural College for crop and animal husbandry.

Literacy and numeracy rates of adults and children: The pupil achievement levels in English/literacy and numeracy at the primary level are still low. Results from evaluations by Uganda National Examinations Board (UNEB) indicate either a declining trend or stagnant trend in performance at key stages, that is, Primary 3 and 6. Significant differences in literacy and numerical proficiencies exist by school ownership with private schools posting better results than government aided schools.

Table 3.1: Numeracy and literacy levels at P.3 and P.6

P3	Pupils reaching proficiency levels	
	2012/13	2017/18
Literacy	56%	50%
Numeracy	70%	55%

P6	Pupils reaching proficiency levels	
	2012/13	2017/18
Literacy	40%	53%
Numeracy	41%	51%

NPA UPE Evaluation, 2018

Gender disparities in education: UPE has been a great success in ensuring inclusiveness of all pupils into the education systems, regardless of gender, income and other capabilities. Since 1997, the gap between the number of girls and boys enrolled in primary schools has been closed. The proportion of females in the total enrolment increased from 45.4% in 1995 to 49.8% in 2006, and equality was achieved in 2009, six years earlier than the MDG target year of 2015. By 2016, enrolment stood at 8,655,924 with 49.6 percent male and 50.4 percent female.

Implementation of policy issues

The Ministry of Education and Sports (MOES) has developed various policy instruments in the reporting period. Some of these policies are already approved while others are in draft form. These policies are aimed at: improving and enhancing quality and completion rates in primary, secondary and tertiary education. They also aim at reducing youth unemployment by putting emphasis on technical and vocational training. The policies that the Ministry has put in place include:

1. **Technical and Vocational Education and Training (TVET) Policy:** Ministry of Education and Spots recognizes the need for the education sector to facilitate learners with skills that enable them to fit in the labour market. In this regard, the Ministry developed the TVET Policy with the objectives to: Promote economic relevance of TVET; Improve

equitable access and employability to TVET; Improve quality of TVET; Promote sustainable TVET financing; and ensure effectiveness in TVET management and organization. The policy targets various categories/groups of people including: Formal, Informal and Non Formal system; Private and Public TVET providers and employers; Trainees of all age groups including people with special needs; Other Stakeholders including; Ministries, Departments and Agencies (MDAs); Local Governments (LGs); Development Partners, Media; CSOs; Parents among others.

2. **National Teacher Policy:** Ministry of Education and Sports further recognizes that quality of teachers greatly affects the quality of education outputs and to ensure quality of education, the Ministry developed the National Teacher Policy to professionalize teachers, develop standards and improve the development, management and utilization of teachers in Uganda aiming at improvements in the quality of learning.

   The policy targets all teachers involved in providing education to the following groups: Teachers of Early Childhood Development programmes; Teachers in primary Education level; Teachers in Secondary Education level; Teachers in business, technical and vocational institutions; and Teachers in other tertiary institutions. It also targets other stakeholders such as parents, education providers, education managers and agencies, the private sector, CSOs, development partners, teacher unions and associations.

3. **National Inclusive Education Policy (Draft):** In order to address the varied learning needs of various categories of children of school age, the Ministry is has developed the National Inclusive Education Policy. The policy aims at creating an enabling and supporting environment in every education institution for all learners. The Policy targets learners who experience or are likely to experience some form of exclusion from the education system.

4. **Early Child Care Development Policy (Draft):** This is intended to provide a framework for standardising and guiding the implementation ECCE programmes and enhancing and scaling up the development and management of effective and affordable ECCE service delivery interventions for all children. The specific ECCE policy objectives are to:

   (i) Increase equitable access to quality, inclusive and sustainable ECCE services for all children in Uganda;

   (ii) Strengthen the structures and systems for effective standardisation and management of ECCE service delivery;

   (iii) Increase public awareness on ECCE programmes and promote appropriate partnerships with parents, communities and civil society for effective early learning;

(iv) Increase staff capacity of MoES and Local Governments to; support, standardise, guide, implement, coordinate, monitor, evaluate, regulate and promote quality, relevant, and affordable ECCE services for all;

(v) Mainstream cross-cutting issues into all aspects of ECCE service delivery and provision.

Other policies being drafted

5. Education for Sustainable Development Policy **(Draft)**
6. National Education Management Information System Policy **(Draft)**
7. National Instructional Materials Policy **(Draft)**
8. School Health Policy **(Draft)**

3.3.5.2 Population and primary health

The Infant Mortality Ratio (IMR) per 1,000 live births decreased from 54 in 2011 to 43 in 2016, which is high compared to the target of 32 live births in 2020 and the SDG target of 19 in 2030. In addition, the maternal mortality rate decreased from 438 to 336 deaths per 100,000 live births, while the life expectancy increased from 54.5 to 63.3 years in the same period. The health infrastructure network has expanded and now, over 75% of the population is living within five (5) km of a health facility.

There is improved utilization of essential health services with a focus on reproductive, maternal, new born, child and adolescent health services in target districts. By the end of FY 2017/18, 186 community sessions (102 in Eastern and 84 in South western) were conducted at 186 VSP sites reaching 2,684 men and 26,225 women of reproductive age with information on the importance of accessing health facility based maternity services including PPFP

The FY2016/17 Uganda Population based HIV Impact Assessment (UPHIA) revealed adult HIV prevalence of 6.2% among adults, with women more disproportionately affected (7.5% versus 4.3%). HIV prevalence varied among geographical regions from 3.1% in West Nile region to 8% in South Buganda and South Western Uganda. The Urban: rural disparity of prevalence continues with 7.1% versus 5.5%. Despite of the high burden, Uganda has made considerable progress in recent years, rolling out effective HIV prevention and treatment services and reducing new HIV infections and AIDS-related mortality. Uganda has signed up to the UN political declaration on the Fast Track and to end AIDS by 2030 and His Excellency the President launched the Presidential Fast Track in July 2017to end AIDS by 2030. The ambitious targets for HIV prevention and treatment including the triple 90-90-90 by 2020 were recently elevated to 95-95-95 by 2020.

In the FY2017/18, the reported incidence of malaria was 191 case per 1000 population compared to 272 case per 1,000 population in FY2016/17. The Uganda Malaria Reduction Strategy target required that by FY2017/18, Uganda should be reporting just 5 inpatient malaria per 10,000 population. The reported number of inpatient malaria cases per 10,000 population moved from

219 cases per 10,000 population in FY 16/17 to 128 cases per 10,000 population in FY 2017/2018. During the FY 2017/18 the GoU with support from partners concluded the LLIN mass campaign where a total of 26.5 million LLINs were distributed country wide. Preliminary results from this exercise show high coverage rates of over 95% in all districts. Recent decreases in the incidence and test positivity rate of malaria in Uganda can be attributed largely to increased LLIN coverage following this just concluded mass campaign. The Abuja target for LLIN and/or IRS coverage is 60%.

3.3.5.3 Youth development

With more than half of Uganda's population composed of youth and an estimated 700,000 new entrants into Uganda's labour force every year, skilling the population is an imperative for growth and development. Government is investing in skilling youth in employable skills and competencies relevant to the labour market. Implementation of the 10-year Business, Technical and Vocational Training (BTVET) Strategic Plan is currently ongoing up to 2020. The BTVET system was designed to enable Ugandans acquire skills that raise their productivity and income through increasing the quality of skills provision, equitable access to skills development, improving effectiveness of BTVET management and organization; and increasing internal efficiency and resources available to BTVET[3].

3.3.5.4 Shelter

Access to affordable housing: Uganda continues to face an acute deficit of affordable and quality housing totaling an estimated 1.6 million housing units, out of which 210,000 units are needed in the urban areas (Uganda National Housing Policy, 2016). Closing the housing gap alone would increase GDP by more than 20 per cent, create jobs and enhance increase wellbeing.

Land and housing related infrastructure and basic services: In Uganda, housing development is majorly private sector driven and this now requires direct government intervention especially for low cost housing, by providing key inputs such as serviced land with access roads, electricity, water and sewerage, as well as leverage access to affordable financing for housing development.

Improvement in lives of slum-dwellers and rural poor: About 21% of the 883 million people who lived in slums in 2014 were from sub-Saharan Africa, even though only 14.4% of the world population lives in sub-Saharan Africa. UN-HABITAT estimates that up to 60% of the urban population in Uganda lives in slums. This trend is exacerbated by the conflict in South Sudan and DRC where refugees from these countries find their way into Uganda, putting additional pressure on the already inadequate basic services provided.

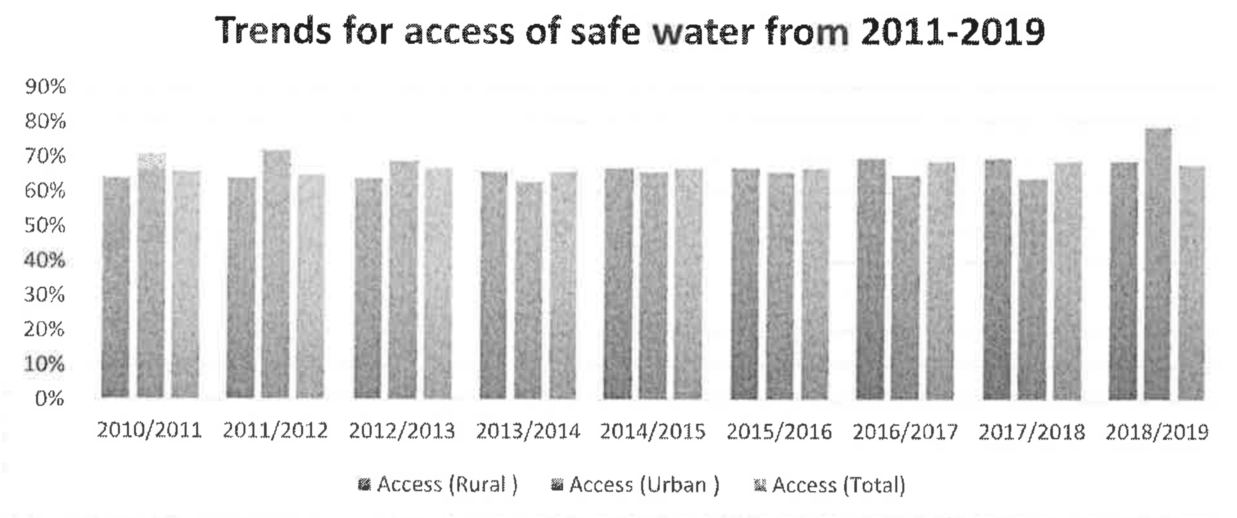
3.3.5.5 Water and sanitation

Safe water supply: The percentage of safe rural water supply coverage increased from 64% in FY2010/11 to 69% in FY2018/19 while access to urban safe water supply increased from 66

[3] MoFPED, Background to the Budget, FY2019/20

percent to 79.1 in in the same period. The target of attaining halve by 2015 the proportion of people without sustainable access to safe drinking water was achieved earlier. This was due to the increased funding from Government of Uganda and a number of NGOs that were involved in supporting the recovery process by funding the construction of water sources in the districts of Northern Uganda. However, the target of providing sustainable access to safe drinking water and basic sanitation to all by 2020 may not be achieved. The reason for not actualizing the target is because rural population has increased over time, and, the District Water and Sanitation Conditional Grant has decreased due to creation of new districts. There has been a reduction in funding of the point water sources which has led to limited access to safe and clean water

Figure 3.2: Trends for access of safe water, 2011 – 2019



Source: Ministry of Water and Sanitation

Sanitation coverage: Access to improved sanitation increased from 69 percent in FY2010/11 to 77.1 percent in FY2018/19 for rural areas and from 77 percent to 86 percent for urban areas. The reasons for not actualising the target is mainly because of a reduction in the amount of the Conditional Grant to cover costs of rehabilitation, and the growth in population which is not commensurate to the increase in household toilets.

3.3.5.6 Gender equality and empowerment of women

Equal access of women and girls to education, basic services, health care, economic opportunities, and decision-making at all level: Women constitute 51% of Uganda's population of 34.9 million (Census, 2014 Provisional Results). Any female of 18 years and above is categorised as a woman. Only 13.8% of working women are in formal employment, compared to 27.9 % of working men (UBOS, 2013). Over 70 percent of the employed women are in the category of agricultural workers which is relatively higher than the proportion of men in this category and this can be observed over the years. Furthermore, the percentage of businesses owned by women and men and the growth of female owned enterprises is significant from 37.3% to 44.1% hence the need to be supported. In terms of decision making the number of women in parliament increased from 19 percent in the 5th parliament to 35 percent in the 9th parliament (current parliament, 2014) and it should be noted that the increase was mainly due to the creation of new districts

In terms of access to water and land ownership, there is a percentage increase in the female headed household that access water from an improved source from 75.6% in 2012/13 to 82% in FY 2016/17 while there is a reduction of water access from an unimproved water source from 24.4% in 2012/13 to 18% in FY 2016/17. Furthermore, the female that owned titled land in Uganda increased from 7% in 2004 to 20% in 2017. This increases the capacity for women to engage in productive ventures.

In terms of access to improved health services, the Maternal Mortality Ratio (MMR) indicated a 20.2% percentage decline from 524 in FY2000/2001 to 418 in 2006. Also, the MMR indicated a 4.7% percentage increase to 438 in 2011 and a 15.9% decline in 2016. This is an indication of improvement on health care given to mothers during pregnancy and deliveries attended by professional health workers though the current MMR is far higher than the expected MDG target of 131 in 2015 therefore the need to reduce maternal mortality in the country remains a critical area of intervention that is required to improve the status of women and girls in the country. Furthermore, it can be noted that the proportion of the women attending antenatal care increase by the number of visits for example in 2011 only 4.3 percent of the pregnant women had not visited the Health Centre for Ante natal care while 47.6 percent had done more than or equal to 4 visits.

In terms of education and literacy, the gap between literacy rates of male and female has been reducing over the years in 1997 that is literacy level for females was 51% compared to that of males which was 70% which is a percentage difference of 19%. In 2009 the literacy rate of female increased to 66% compared to that of male of 79% which is a percentage difference of 13%. In 2016 the literacy rate for females increased to 69.9% compared to male of 77.5% which is a percentage difference of 7.6%. Literacy level is one of the major determinants in reducing poverty level and the improving literacy levels in the country have played a major role in the reduction of poverty in the country. Lastly but not least the percentage of female with no formal schooling has significantly reduced from 45.9% to 16.2% in 2016/17. The gap in education between male and females is highest for those with secondary education and higher.

Policy and Legal Context: The Constitution of Uganda provides the overall legal framework for addressing gender equality and women's empowerment. Article 21 provides for equality and freedom from discrimination. Article 32 provides for affirmative action in favour of marginalized groups including women. The Constitution also recognizes equality between women and men and articulates specific rights of women including outlawing customs, traditions and practices that undermine the welfare, dignity and rights of women. Gender equality and empowerment of vulnerable groups are core values under the NRM Government. The key areas of intervention in this regard are empowering special interest groups including women, youth, persons with disability and older persons.

The Uganda Gender Policy (UGP) under review provides a framework for identification, implementation and coordination of activities designed to achieve gender equality. The policy prescribes interventions that improve the earning potential of women and respond to the diverse livelihood needs of women and men. The GBV Policy under review provides for elimination of Gender Based Violence from all societies in the country since GBV has severe effects on communities and is costly to the economy in terms of Law enforcement, Service provision and legal proceedings

The regional and global obligations on gender equality and women's empowerment that Uganda is party to. These include the East African Community Treaty (EAC, 2000), Common Market for Eastern and Southern Africa Gender Policy (COMESA, 2002), the Protocol on the Rights of Women in Africa (2003), the Inter Government Authority on Development (IGAD), the Gender Policy and Strategy (2004) and the New Partnership for African Development (NEPAD). The global instruments include: The Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW, 1979), the Beijing Declaration and Platform for Action (1995) and the Commonwealth Plan of Action for Gender Equality.

Programmes

a. **Uganda Women Entrepreneurship Programme (UWEP)**; this programme is an initiative of the Government of Uganda for Women and is aimed at improving access to financial services by women entrepreneurs and equip them with skills for enterprise growth, value addition and marketing of their products and services and it became operational in FY2015/16. By Financial Year 2018/19, 56.7B had been disbursed to 120,873 women (9,660 groups) for the Women Enterprise Fund (WEF)

b. **Social Assistance Grant for Empowerment (SAGE);** Is a universal transfer of UGX 25,000 a month to target older persons aged 65 years and above and 60 in the Karamoja. By Financial Year 2018/19, 268B has been disbursed to the elderly covering 84,345 (126,517 males and 210,862 females)

c. Other programmes that has been initiated are Operation Wealth Creation, GBV Programmes, and Integrated Community Learning for Wealth Creation (ICOLEW).

Key Emerging Issues and Mitigation Measures

No.	Issues	Mitigation measures
1	Budget Cuts for the implementation	• Increased engagement of MoFPED and Parliament
2	Limited capacities of LGs and some MDAs on Gender Mainstreaming	• Strengthening capacity on development and implementation of gender responsive sector plans
3	Unclear institutional mechanism for Gender Mainstreaming among MDAs and Local Governments	• Engage Public Service on the institutional mechanism for Gender Mainstreaming
4	Prevalence of negative social norms and practices undermining efforts on prevention of and response to GBV	• Strengthen Government collaboration with cultural institutions for transformative change on negative social norms and practices. • Male engagement
5	Overwhelming demand from women groups for UWEP funds VS available resources	• Expansion of UWEP including enhancing the budget. • Strengthening recovery of funds.
6	Limited entrepreneurial skills and capacities	• Design and implement an entrepreneurship

	among women in business	development programme

Source: Ministry of Gender, Labour and Social Development

3.3.5.7 Social protection

Social protection systems to improve the resilience of all, including poor and disadvantaged groups: In line with global development policy commitments- particularly the UN Sustainable Development Goals (SDGs) initiative, the Government of Uganda has committed to evolving a comprehensive social protection system as part of our national development strategy for inclusive development. Indeed, in both the Uganda Vision 2040 and the Second National Development Plan (NDPII), government has expressly stated its aspirations to:

- Increase access to social protection including the gradual rollout of a universal pension scheme for citizens above the age of 65; and social assistance to orphaned children, the disabled and the destitute.
- Expanding access to contributory social security for workers in the informal sector

These commitments are further articulated in the 2015 National Social Protection Policy (NSPP), which outlines Government's vision of "a society where all individuals are secure and resilient to socio-economic risks and shocks". The stated mission is to provide a comprehensive set of social protection services to address vulnerability and poverty, reduce inequality and promote inclusive economic growth. Box 1 below outlines the vision, mission and objectives of the policy.

Progress in the evolution of a national social protection system

Between 2011 and 2015, the Ministry of Gender, Labour, and Social Development (MGLSD) piloted a Social Assistance Grants for Empowerment (SAGE) scheme-building capacity, establishing delivery systems capable of national scale up, and generating evidence of direct income support as a key social protection instrument. Building on a successful piloting, the programme has been gradually extended to 57 districts across the country-with advanced plans to roll out the programme to all districts starting in FY2019/20.

The SAGE programme has generated significant impact on beneficiary families and their communities. There is strong evidence that the programme has improved food security, uptake of health and education services, livelihood investments as well as increased participation, social inclusion, self-esteem and empowerment, particularly amongst older women. This complements international evidence that social protection programmes can be an important tool for supporting citizens to afford basic services and to build productive livelihoods.

Under the Northern Uganda Social Action Fund (NUSAF) programme coordinated by the Office of the Prime Minister (OPM), systems have been established to deliver income support to build the resilience of poor and vulnerable households in Northern Uganda. NUSAF3 covers Northern and Eastern Uganda targeting 600,000 vulnerable people in 56 districts. Now in its third phase, the programme is providing livelihoods support through labour intensive public works and an innovative Disaster Risk Financing (DRF) facility- a shock-responsive social protection mechanism designed to respond to the scale of recent exogenous shocks, especially drought and the arrival of a higher number of refugees.

In 2018, the Ministry of Gender, Labour, and Social Development developed a conceptual framework for delivery Social Care and Support Services; and is currently developing a costed vision for the SCSS system in FY2019/20. The MGLSD is currently developing a Social Protection Single Registry designed to integrate all the sector's management information systems for stronger information sharing and coordination. The single registry, now in its final design phase, is expected to be fully operationalised in FY 2019/20.

Government is also discussing proposals to amend the National Social Security Fund Act as part of the comprehensive reforms geared at enhancing social security coverage, adequacy of benefits and improving governance of the contributory social security system.

Presently, the Ministry of Gender, Labour and Social Development is working with the Ministry of Finance Planning and Economic Development and the National Planning Authority to formulate a long-term vision and strategy to guide future social protection investments within the context of the Third National Development Plan and the 10-year Perspective Plan.

3.3.6 Multiple Crises and Other Emerging Challenges

3.3.6.1 Economic shocks

3.3.6.2 Climate change and environmental sustainability

In the last decade, climate change effects manifested through noticeable changes in rainfall patterns and total annual rainfall amount have been evident and are forecasted to worsen in the near future. This is majorly attributed to the significant reduction in the forest cover from 15% in 2010 to 9.5% in 2017 as well as wetland degradation and encroachment. The wetland cover has reduced from 11.9% in 2012 to 10.9% in 2017. The changes in the climate system are already contributing to increased food insecurity; higher incidence of tropical diseases and pests in humans, livestock and crops; soil erosion and land degradation; flood damage to infrastructure and settlements and shifts in the productivity of agricultural and natural resources. It is the poor and vulnerable who feel these impacts the hardest. For example, malaria is now common in the Bugisu sub-region while it was virtually non-existent in the area before the 2000s. Also, the viability of growing crops like coffee in certain areas may be compromised leading to reductions in household income and an increase in poverty levels. Intensification of efforts to increase the forest cover, promote climate change adaptation and mitigation, disaster risk reduction as well as the conservation and regeneration of wetlands will moderate and even reverse some of the impacts.

3.3.6.3 Disaster risk reduction

Uganda is prone to multiple hazards including drought, landslide, earthquake, flood, lightning, windstorm, hailstorm, fires, epidemic, conflict and etc. Some of these hazards are regular phenomenon every year while some have longer return period but enormous impact when they occur. All segments of the community, infrastructures such as schools, health facilities, communication systems, energy/power systems, transport systems (roads, airstrips, bridges etc.), residential buildings, factories, security structures, offices, and etc.; natural resources ranging from crops and natural vegetation, forests, lands, water resources, and etc.; livestock and wildlife are all among the elements at risk to these various hazards. On the other hand, scientific and innovative risk management practices are lacking. Therefore, it is important to look for ways of translating the challenges posed by disasters to opportunities.

3.3.7 Mobilizing financial resources for development and capacity building

As part of the efforts to increase financing of the National Development Plan, domestic revenue collection has increased. In the FY2018/19, revenue collection stood at UGX 16.359 trillion equivalent to the revenue to GDP ratio of 14.6%. Uganda has also developed the Domestic Revenue Mobilization Strategy that seeks to enhance Uganda's revenue. The Financing Strategy is also anchored on a prudent Debt Financing Strategy consistent with a sound fiscal and monetary policy framework. The Strategy identifies interventions that will strengthen tax administration and restore public confidence in the tax system. The strategy aims to raise the ratio of revenue to GDP ratio to 18% over a five-year period. Some of these include: reviewing tax policies for greater simplicity and efficiency, increasing tax payer involvement in tax policy formulation, eliminating revenue leakages and enforcing tax obligations, among others.

Beyond the traditional sources, Uganda has also created an enabling environment to leverage Public Private Partnerships (PPPs) by developing a PPP framework which saw the enactment of the PPP Act and development of regulations and guidelines. The PPP Committee and Unit were also set up in 2015 to manage PPPs in the country.

3.3.7.1 Domestic Resource Mobilization

Uganda is committed to increasing its tax to GDP ratio in order to finance its development agenda. A number of reforms have been implemented over the past two decades including introduction of Value Added Tax (VAT), increasing income tax rates and tax administration reforms, among others. These reforms saw a significant increase in net tax revenue collection by more than tenfold, from UGX 1,212 Billion in 2001/02 to approximately UGX 12,719 Billion in 2016/17. [4] Over the NDP implementation period (FY 2014/15-FY 2019/20), tax revenue has been growing at an average of 17 percent, raising from UGX 3,117 billion in FY2007/08 to UGX 14,403 billion in FY 2017/18, while tax to GDP ratio, has been growing at an average of 0.2 percent.

Table 3.2: Trends in URA tax collections 2010/11 to 2017/18

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	%age change NDP II	%age change NDP I
Overall Net Revenue	5,114.2	6,208.3	7,149.5	8,031.0	9,715.6	11,230.9	12,719.6	14,456.1	48.8	90.0
Gross Revenues (Includes all NTR)	5,461.2	6,550.8	7,489.4	8,377.8	10,116.3	11,496.8	12,895.0	14,659.8	44.9	85.2
Domestic Taxes	2,816.2	3,472.0	4,274.7	4,671.2	5,554.0	6,594.9	7,480.4	8,448.9	52.1	97.2

[4] Uganda Revenue Authority, 2017.

Taxes on International Trade	2,534.0	2,937.2	3,070.5	3,548.0	4,338.2	4,838.9	5,414.6	6,210.8	43.2	71.2
Non-Tax Revenue (NTR)	55.7	65.5	89.5	110.5	224.1	444.7	256.2	380.0	69.6	302.4
Direct Domestic Taxes	1,665.1	1,991.9	2,433.5	2,624.5	3,249.0	3,707.0	4,180.1	4,670.7	43.8	95.1
PAYE	825.6	996.9	1,196.5	1,397.6	1,613.2	1,803.5	2,115.0	2,396.1	48.5	95.4
Corporate Tax	419.6	553.9	597.6	486.6	714.8	732.2	764.3	884.8	23.8	70.4
Presumptive Tax	-	-	-	53.6	-	1.4	4.5	5.3	N/A	N/A
Withholding Tax	274.7	328.9	389.4	11.0	546.9	699.3	677.9	754.3	37.9	99.0
Rental Income Tax	-	-	-	268.9	27.6	55.0	71.7	88.7	221.0	N/A
Tax on Bank Interest	73.6	102.3	222.6	-	290.4	355.2	473.8	457.0	57.4	294.7
Casino Tax	4.8	5.4	7.4	-	13.9	17.4	26.6	29.2	110.8	189.0
Other	8.0	1.7	17.9	406.7	42.2	42.9	46.3	55.2	30.8	426.4
Indirect Domestic Taxes	1,039.8	1,296.1	1,731.0	1,900.2	2,148.6	2,443.3	2,842.2	3,188.7	48.4	106.6
Excise duty	315.6	372.8	451.8	546.3	638.5	671.1	819.8	953.9	49.4	102.3
Value Added Tax	**724.2**	**923.2**	**1,279.2**	**1,353.9**	**1,510.2**	**1,772.1**	**2,022.4**	**2,234.8**	48.0	108.5

Source: MFPED

In the NDPII, Government set targets for the tax to GDP ratio at 16 percent with an annual growth of 0.5 percentage points. The tax to GDP ratio was 15.2 percent in FY 2018/19, slightly below the NDPII target.

Over the medium term, government will direct its efforts at widening the tax base and enhancing compliance. A Domestic Revenue Mobilisation Strategy (DRMS) has been developed to inform reforms in the tax system both in the medium and long term. Through the DRMS, government will bring increased transparency to the direction of tax policy-making in Uganda for the next five years and strengthen the administrative effort to support tax collection. The proposals in the DRMS will enhance the stability and sustainability of public finances and allow new investors and existing businesses to have confidence in the tax system. The DRMS aims to raise the ratio of revenue to GDP to between 18-20% over the next five years, bringing Uganda closer to its theoretical revenue potential.

Other reforms that will be implemented over the medium term include the following[5];

i. Reform of the tax policy making process: Improving the structures, processes, and governance of tax policy-making makes the achievement of better policy outcomes more likely and significantly reduces the risk of avoidable, and potentially costly errors in policy design. Government will therefore review how tax policy is made. The review will identify changes to the policy-making process that could add value, not just in terms of the quality of the technical analysis to support policy decisions, but also in terms of the inclusiveness of the process itself, transparency, and overall integration with government economic policy. The recommendations will be incorporated into a revised framework for policy making.

[5] MFPED, 2019

ii. Develop the reporting and monitoring framework for taxation: The performance of tax administration is hindered by governance challenges, including the lack of a clear reporting framework. A set of indicators to monitor tax revenue performance, administrative efficiency, and the health of the wider economy have been developed and a database of relevant indicators is being compiled.

iii. Establish and publish a comprehensive Tax Expenditure Governance Framework: A major challenge in the administration of tax exemptions and incentives in Uganda is the opacity in their governance. The lack of a tax expenditure governance framework to monitor the effectiveness and cost of incentives and exemptions leaves Uganda at risk of large, unintended revenues losses and abuse of the system, including the process of assessment and approval. An evidence-based Tax Expenditure Governance Framework to limit leakages and improve transparency will be developed. From FY2020/21, this will be published as part of the Budget papers and will be used to re-assess the fiscal cost of all existing tax incentives, exemptions, and holidays.

iv. Strengthen the Tax Appeals Tribunal: Currently, tax administration is not adequately responsive, and the time taken to complete reviews is slow. The high number of pending cases tie up large amounts of revenue and impact on business sentiment, as businesses are deterred from investing more by difficulties in resolving outstanding cases. The Tax Appeals Tribunal will be facilitated to expeditiously deal with cases by increasing staff training and numbers, providing adequate funding to alleviate resource constraints, and extending the terms of service of tribunal members to allow them gain the necessary experience.

3.3.7.2 Official Development Assistance

Uganda has been amongst the top aid recipients across the globe, receiving more than $16 billion in Official Development Assistance (ODA), between 2003 and 2012. Uganda's aid to GDP peaked at 19 per cent in 1992 but has since stagnated at 10 per cent over the last two decades. ODA still remains an important part of development cooperation, especially for low income countries like Uganda. External resources mobilised in FY 2018/19 increased to USD 1.28 billion compared to USD 1.2 million in FY 2015/16. Borrowing terms are consistent with the National Development Plan and Public Debt Management Framework.

Low absorption capacity continues to be a challenge in implementing projects that benefit from external assistance, with large deviations between planned and actual disbursements being observed. Whereas total external resources approved for implementation of projects have increased by 9 percent, the disbursement level against total external resources budgeted and approved declined from 46.9 percent in FY 2014/15 to 32.6 percent in FY 2018/19.[6]

In the medium term, Government of Uganda will seek to maximise the impact of development assistance by implementing principles of the Global Partnership for effective development

[6] Report on public debt, guarantees, other financial liabilities and grants FY 2015/16 and FY 2018/19.

Cooperation; ownership of development priorities, focus on outcome, inclusive development partnerships, harmonization and coordination, mutual accountability, and transparency as driving forces to realization of vision 2040 and sustainable development.

In addition, several measures have been put in place by Government to improve absorption and utilisation of its ODA over the medium term. These include;

(i) Improving project selection, design, appraisal, and analysis before the project is approved or sanctioned for funding. No new project will be considered for funding if it does not meet the requirements of project implementation management.

(ii) Counterpart funding to projects has been prioritised and ring fenced to enable MDAs undertake preparatory activities like ESIA, land acquisition, establishment of project implementation structures and preparation of necessary manuals to increase project readiness.

(iii) Strengthening of the negotiation capacity. A guideline for loan and grant negotiations in government has been approved by Cabinet.

(iv) Accounting Officers are expected to strengthening contract/project monitoring systems. Accounting officers who have experienced unsatisfactory project /programme implementation among others will not be re-appointed in accordance to the PFM ACT 2015.

3.3.7.3 External Debt

Uganda's Public Debt Stock has been increasing over the past decade with the highest increase of 33 percent attained in FY2014/15 due to large investments in infrastructure and energy projects as indicated in the table 3.2 below. Similarly, in FY2017/18, debt accumulation rebounded to 22 percent. This was intended to increase public investment in infrastructure in preparation of oil production while also increasing investment in other sectors[7].

Table 3.3: Stock of Public Debt from FY2012/13 to FY 2017/18 (Ushs. Billion)

	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Total stock of Public Debt	15,868.89	18,421.25	24,430.91	29,689.93	34,409.83	42,070.47
External Debt	9,922.085	10,866.662	14,462.072	18,077.197	22,358.632	28,514.48
Domestic Debt	5,946.8	7,554.6	9,968.8	11,612.7	12,051.2	13,555.99
Total stock of Public Debt (% of GDP)	24.9%	26.6%	31.9%	35.8%	37.7%	42%
Total External debt (% of GDP)	-	24%	33%	43%	44%	44%
Total External Debt Service	-	75.62	82.17	96.44	120.62	275.75

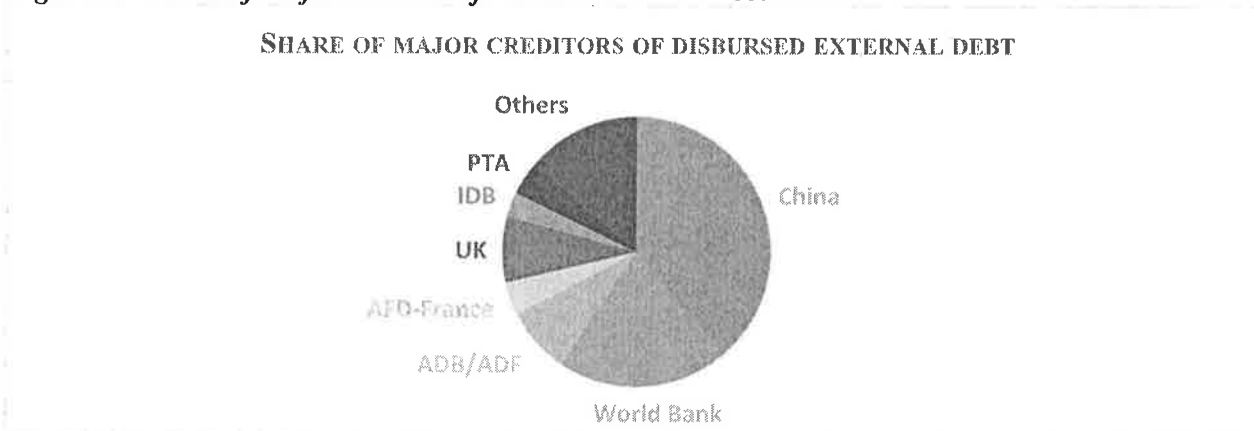
The debt stock constitutes external debt and domestic debt. In terms of shares, external debt has consistently taken the largest share of total public debt over the years and this can be explained by

[7] Report of the Committee on National Economy on the State of Indebtedness, Grants and Guarantees, June 2018

the increasingly le ss concessional external debt[8]. The debt to GDP ratio has steadily increased from 25 percent in FY2012/13 to 42 percent in FY2017/18. This is still below the 50 percent PV of debt to GDP threshold stipulated in the Charter of Fiscal Responsibility beyond which debt becomes unsustainable. If the productive capacity of the economy grew at a much lower rate, then it would increase the risks of public debt sustainability.

Uganda's debt exposure grew by 7 percent from US$11.37 billion in FY2016/17 to US$12.4 billion in the FY2017/18 largely due to the need to invest in large infrastructure projects to stimulate economic activity. China has become the largest creditor to Uganda disbursing 39% of the total credit in FY2017/18 surpassing the traditional creditors i.e. World Bank (21%) and African Development Bank (8%).

Figure 3.3: Share of Major creditors of disbursed external debt



Source: Bank of Uganda (BOU)

External Debt exposure to GDP ratio remained at 44% in FY2017/18 and FY2016/17 due to slow implementation of some projects. US$7.35 billion was outstanding and disbursed while US$4.79 billion was committed and undisbursed. The total external debt service by end of FY2017/18 amounted to US$275.75 million which was an increment of 129% compared to US$120.62 million in FY2016/17. Debt service of Uganda's external debt is on the rise and outstripping growth of the country's income currently at 6%. This poses risks for future debt repayments, especially as the country continues to acquire external debt at less concessional terms[9].

Uganda's public debt position is sustainable in the medium and long term. The Present Value (PV) of public sector debt to GDP is expected to increase from 30.81% in 2017/18 to peak at 37.25% in 2021/22. This is below all the requisite thresholds of 56% for Country Policy and Institutional Assessment (CPIA) medium performers and 50% for the 2013 PDFM and the EAMU Protocol.

Table 3.4: Country Policy and Institutional Assessment (CPIA)

[8] Debt Sustainability Report 2017/18

[9] Parliament of Uganda, Report of the Committee on National Economy on the State of Indebtedness, Grants and Guarantees June 2018

	CPIA Thresholds (%)	2018	2019	2020	2021	2022	2023	2024	Medium Term Average
Solvency Ratios									
PV of External Debt to GDP	40	17.49	18.37	21.39	23.83	25.27	25.38	23.95	23.03
Pv OF Dom. Debt to GDP	20	13.32	13.75	13.19	12.60	11.98	11.19	10.39	12.18
Pv OF Public debt to GDP	50	30.81	32.07	36.29	39.21	40.62	40.62	37.34	37.70
PV of external debt to exports to goods and services	150	90.11	99.7	117.84	133.15	135.15	135.70	124.99	124.54
PV of external debt to dom. Budget revenue	250	121.21	125.49	142.19	153.37	157.55	153.41	135.97	144.66
Liquidity Ratios									
Debt service to exports of goods and services	20	5.83	5.73	5.44	6.82	7.15	7.84	7.96	6.82
Debt service to Dom Budget revenue	20	7.84	7.84	6.56	7.81	8.34	8.87	8.66	7.91

Source: MFPED, BOU & PBO Staff Projections

3.3.7.4 Foreign Direct Investment

Foreign Direct Investment (FDI) flows to Uganda have been on the rise since the early 2000s, averaging USD 800 million between FY2005/6 and FY2015/16, where more than US$ 1 billion in FDI was registered between 2012 and 2015 alone. FDI Inflows to Uganda reached an average peak of US$ 1,120million between 2012 and 2014 before declining to US$ 626m in 2016. The top source countries of FDI into the country between 2011 and 2016 were Australia, Kenya, Netherlands, United Kingdom and United Arab Emirates though these have declined overtime. FDI Inflows recovered to US$ 699 in 2018.

In FY 2018/19, FDI planned investments totaled to US $ 1.02 billion and accounted for 75.6% of all the planned investments in 2018/19. Asia registered the highest amount of planned investments (US $ 685.7), which accounted for 51% of all the planned investments in 2018/19. The EAC was in the second position with US$ 384.1, accounting for 28.5% of all the planned investments in 2018/19. The manufacturing sector attracted the biggest number of FDI projects (102) which accounted for 50% of all the licensed projects in FY2018/19. The Agriculture, Forestry and Fisheries sector was in the second position with 17% of all the FDI sourced projects.

Table 3.5: Distribution of FDI projects by Sector, FY2018/19

Sector	Licensed Projects	Percentage
Agriculture, Hunt, Forest & Fish	35	17.2
Community & Social Services	1	0.5
Construction	13	6.4
Electricity, Gas & Water	8	3.9
Fin, Ins, Real Estate & Business Services	7	3.4
Manufacturing	102	50.0
Mining & Quarrying	6	2.9
Transport, Storage & Communication	17	8.3
Wh & Ret, Cat & Accom Services	15	7.4
TOTAL	**204**	**100.0**

The resurgence of oil related activities on account of conclusion of a series of protracted contractual agreements is however expected to trigger a reversal in this trend. The accumulation of infrastructure investments over the recent past, the sustained reform of commercial laws and institutions together with the rising labour costs in major global manufacturing hubs reinforce the prospects of resurgence in FDI inflows to Uganda.

3.3.7.5 Remittances

Remittances play a big role as a growing source of foreign funds for Uganda. They have led to an improvement in household incomes and subsequently livelihoods. By 2009, remittances to Uganda were largely from the US, UK, Iraq and United Arab Emirates, reaching US$745.85 million, and reducing the poverty headcount by 11 percent in 2011.

By 2017, most remitters were based in Africa (29.0percent), Middle East (28.6percent), Europe (20.7), and North America (18.2percent). Overall, 86.4 percent of remitters sent cash personal transfers only, while 7.0percent sent items in kind. 6.6percent, sent both cash and in-kind personal transfers. Personal transfers received in 2017 amounted to US$ 1.165.4 million. This was an increase of 1.7 percent compared to the US$1,145.5 million estimate of 2016. The general characteristics of personal transfers remained largely unchanged from what was reported in previous survey findings i.e. mainly received in cash; the biggest share went to urban areas, most preferred channel was international MTO's (Western Union and Money Gram) and most households (58.8 percent) received transfers only once during the year. [10]

Remittances grew by 29 percent between 2014 and 2018. In 2018, remittances to Uganda reached US$ 1.25 million, accounting for 4.5 percent of GDP. Uganda was the second and sixth largest to receive remittances in eastern and sub-Saharan Africa, respectively. High costs of sending remittances remain a challenge. Remittance costs across many African corridors and small islands in the Pacific remain above 10 percent.[11]

3.3.8 Good Governance at all levels

Effort has been put towards enhancing the quality of governance, particularly to improve accountability and curb corruption and political interference, in order to build strong democratic institutions and to further improve public sector management. This is critical for the overall effectiveness and efficiency of government service delivery, which has a strong and direct impact on growth and inclusiveness.

Progress has been made in fostering access to justice for the poor, vulnerable and marginalized through innovations such as statutory mediation, plea bargaining, State brief schemes for persons charged with capital offences, the Pro bono scheme regulated by Uganda Law Council and run by Uganda Law Society, student's legal aid provision scheme by Law Development Clinic, and the establishment of the Justice Centers Uganda.

The efforts not withstanding access to justice remains limited for various reasons. Only 18.2% of the people in rural areas are able to access a Magistrate Court within a distance of less than 5km compared to a 56% in urban areas. Other barriers include the slow, manual and time-consuming business processes in the sector that breed opportunistic corruption. As a result, there are

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[10] Annual Personal Transfers report 2017 – Inward Personal Transfers
[11] World Bank, 2019

increasing levels of case backlog, violation of rights, delay and congestion in prisons. Challenges in transparency and accountability have also affected the rule of law.

Good governance and the rule of law at the local, national and international levels are essential for sustained, inclusive and equitable economic growth, sustainable development and the eradication of poverty and hunger. They are also essential for the achievement of the commitments embodied in this Programme of Action.

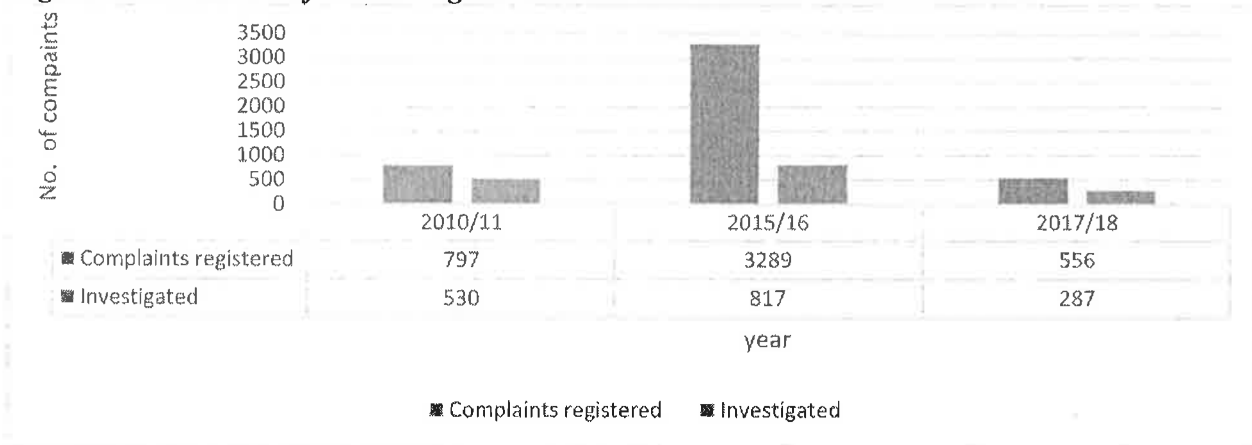
Uganda has made progress over the last decade in good governance, the rule of law, the protection and promotion of human rights, and democratic participation. However, this progress needs to be further enhanced and the governance issues at hand be given further priority as sustainable development is closely linked to peace and security. The Istanbul Plan of Action set out to enhance good governance at all levels, by strengthening democratic processes, institutions and the rule of law; increasing efficiency, coherence, transparency and participation; protecting and promoting human rights; and reducing corruption, and strengthen least developed country governments' capacity to play an effective role in their economic and social development.

3.3.8.1 Promote and respect all internationally recognized human rights, including the right to development

The interconnection between good governance, human rights and sustainable development has been made directly or indirectly by the international community in a number of declarations and other global conference documents. For example, the Declaration on the Right to Development proclaims that every human person and all peoples "are entitled to participate in, contribute to, and enjoy economic, social, cultural and political development". In the Sustainable Development Goals Declaration, world leaders affirmed their commitment to promote democracy and strengthen the rule of law as well as to respect internationally recognized human rights and fundamental freedoms, including the right to development.

To date, Uganda has a dedicated commission – Uganda Human Rights Commission (established under Article 51 of the Constitution) to handle human rights related cases as part of the measures of good governance. Since its inception, UHRC has created awareness on Human Rights and handled a number of cases as reflected in the figure 3.4 below. The complaints registered therefore reduced by 30 percent between FY2010/11 and FY2017/18 (figure 3.4).

Figure 3. 4: Number of human rights cases handled between 2011/12-2017/18



	2010/11	2015/16	2017/18
Complaints registered	797	3289	556
Investigated	530	817	287

Source: JLOS Annual Performance Reports

Uganda is signatory to most core international and regional human rights treaties without reservations save for sections of Article 14 of the Maputo Protocol which concern the health and reproductive rights of women. The human rights related treaties ratified in 2017 and 2018[12] include:

i. The World Trade Organization Trade Facilitation Agreement -28th May 2018

ii. The East African Community Protocol on the Privileges and Immunities of the East African Community -21st July 2018

iii. Agreement for the Establishment of the Eastern Africa Standby Force - 4th February 2018

iv. Framework Agreement of International Solar Alliance- 1st February 2018

v. The Marrakesh Treaty to Facilitate Access to Published Works for Persons Who are Blind, Visually Impaired or Otherwise Print Disabled -1st March 2018

vi. The Protocol on the Amendment to the Statute of the African Court of Justice and Human Rights-9th March 2018

vii. The Kigali Protocol to the Montreal Protocol on Substances that Deplete the Ozone Layer- 23rd August 2018

viii. Agreement for the Establishment of the East African Community Protocol on Cooperation in Defence Affairs- 19th November 2018;

ix. Agreement Establishing the African Continental Free Trade Area - 20th November 2018.

Furthermore, in July 2012, Uganda passed a law on the Prevention and Prohibition of Torture criminalizing torture and giving effect to the obligation of Uganda as a State party to the UN

[12] The 21st Annual Report on the State of Human Rights and Freedoms in Uganda in 2018.

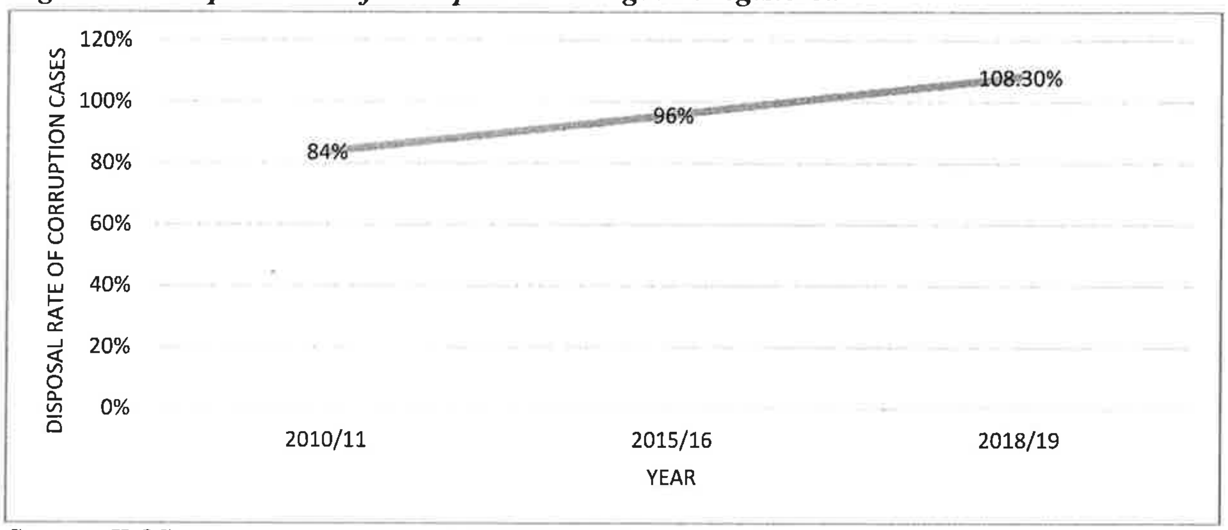
CAT[13]; in case of perceived abuse of human rights, the aggrieved party has the liberty to seek redress from the Uganda Human Rights Commission. The Government has continued to provide policy guidance to align laws with the fundamental rights and freedoms stipulated in the Bill of Rights. Uganda maintained an 'A 'status with United Nations Paris Principles according to the accreditation by the Global Alliance of National Human Rights Institutions (GANHRI) in Geneva, Switzerland.[14]

3.3.8.2 Observance of Human Rights and Fight against Corruption Promoted

Justice Law and Order Sector (JLOS) achievements on observance of human rights and fight against corruption registered a reduction in pre-trail remand population in prisons to 47.7% from 51.4%. For the first time, convicts in prison outnumbered the remand population.[14] The achievement reflection of effectiveness of underlying enhanced clearance of cases before courts of law, reduction in crime, and increased use of alternative non-custodial sentencing, among others.

The JLOS sector has also developed and implemented an anti-corruption strategy to guide on efforts aimed at fighting corruption across all its institutions. This has led to an increase in the disposal rate or corruption against those registered at the anti-corruption division as shown in figure 3.5.

Figure 3.5: Disposal rate of corruption cases against registered



Source: JLOS

The 2019 Transparency International report returned a score of 0.26/1 (0 being the worst score for highly perceived corruption) for a second year running. However, despite this stagnation, Uganda improved from the 151st position to the 149th position.

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13 Implementation of the prevention and prohibition of the Torture Act, 2012: Outcome document of the workshop held on 7th – 8th February 2012

14 The Justice Law and Order Annual Performance Report 2018/19.

3.3.8.3 Continue efforts to establish or strengthen, as appropriate, an effective, fair and stable institutional, legal and regulatory framework in order to strengthen the rule of law

The Legislature (The Parliament of Uganda) is responsible for enacting laws for peace, order, development and good governance of Uganda, providing oversight and ensuring transparency, integrity and accountability in delivery of services to the citizenry, as well as representing the interests of the constituents in the conduct of public affairs.

The NDP II, provided for Parliament to increase efficiency and effectiveness in the enactment of legislation on any matter for peace, order, development and good governance of Uganda. As part of the measure to improve efficiency, Parliament has reduced the backlog for instance under Public Accounts Committee, the reports for FY2016/17 and FY2017/18 are being considered.

Free and fair elections at national and LG levels: Uganda operates a decentralized democracy where the President, The Members of Parliament, representatives at District (LCV), Sub County (LCIII) and village level (LCI) are elected by registered voters. According to the Final Report on Mid Term Review of the NRM Manifesto, Uganda improved its ranking in the Economist Intelligence Unit's (EIU) Democracy Index from 96th out of 167 countries in 2015 to 94th in 2016. This ranking indicates an improvement in the political stability and, electoral processes, which helps increase Uganda's attractiveness for donor support, and attainment of socio-economic transformation and sustainable development. The General Elections of 2016 were successfully held, with a total of 1,032,084 elective positions filled including President, Members of Parliament, Local Government Councils, Youth councils/committees, Women Councils/Committees, Committees for Older Persons and Committees for People With Disabilities (PWDs).

3.3.8.4 Consider ratifying or acceding to the United Nations Convention against Corruption as a matter of priority and implement anti-corruption laws and regulations consistent with the Convention

3.3.8.5 Promote effective participation of all stakeholders and government accountability at all levels

This was planned to be done by strengthening the roles of parliament, civil society, the independent media, political parties and other democratic institutions and processes, as appropriate, including in relation to the preparation, the implementation and the monitoring of national development policies and plans, while ensuring that all stakeholders abide by the national legislation and adhere to the rule of law.

Enhancing constitutional democracy and rule of law. Security of tenure of members of Electoral Commission was enhanced by the Constitution (Amendment) Act, 2015. Under the amended article 60 by providing for the question for the removal of a member to be referred to a tribunal appointed by the President. The proposal to make the appointment of the Commission independent of the Executive is to be submitted to the Constitutional Review Commission, when established, for consideration.

The Government through Uganda Registration Services Bureau developed and implemented the National Intellectual Property Rights Policy, 2019 this aims at establishing an appropriate infrastructure that supports innovation and creativity, develop human capital for the intellectual property value chain, and enhance the utilization of the Intellectual Property system thereby creating, protecting and commercially exploiting research results, innovations, new technologies, and creative works which have a direct impact on poverty reduction.

National Dialogue and state funding of political parties represented in parliament: The Uganda National Dialogue Framework Paper which sets out the rationale and modalities for convening the Uganda National Dialogue Process was developed. The Inter-Religious Council of Uganda (IRCU) and The Elders Forum of Uganda (TEFU) developed initial elements of this process paper. This is aimed to promoting the growth and development of a vibrant multi-party dispensation through principled national dialogue. Section 14 (a) of the Political Parties and Organizations Act, 2005, provides that government shall contribute funds or other public resources towards the activities of political parties or organizations represented in Parliament. Parliament currently has five Political Parties, i.e., National Resistance Movement Organisation (NRMO), Forum for Democratic Change (FDC), Uganda People's Congress (UPC), Justice Forum (JEEMA) and Democratic Party (DP) with representation in Parliament. Over the manifesto period, government has continued to fund the political parties with representation in parliament up to UGX. 10 billion every year.[15]

3.3.8.6 Foster just, transparent and well-functioning government accountable to the people and promote an accessible and independent judicial system

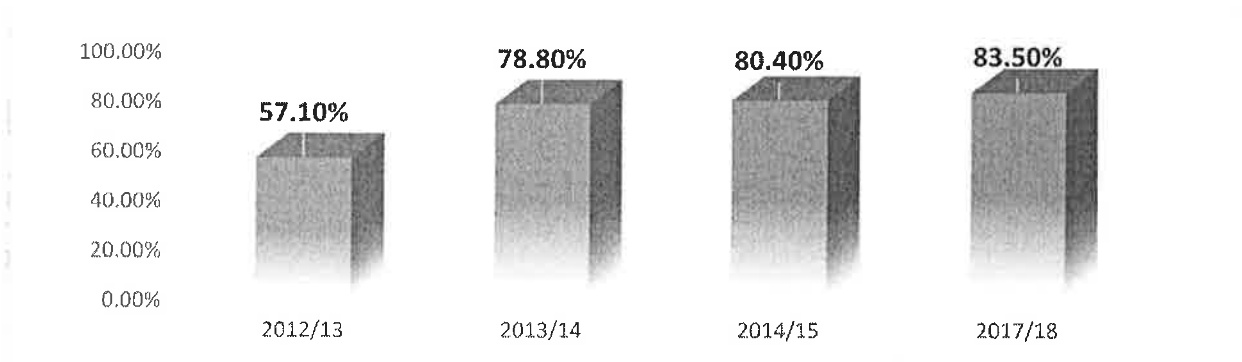
Government has submitted to Parliament a bill named The Administration of Judiciary Bill 2018. The policy behind the Bill is to operationalize the Constitutional provisions relating to the Judiciary by providing for the further application and enforcement of Chapter Eight of the Constitution. Chapter Eight buttresses the institutional operational and administrative independence of the Judiciary. The Constitution under article 128 provides for the independence of the Judiciary, it makes the Judiciary self-accounting and protects the administrative expenses and emoluments for persons serving in the Judiciary by charging them on the Consolidated Fund. It empowers the Judiciary to deal directly with the Ministry responsible for finance in determining the retirement benefits payable to or in respect of persons serving in the Judiciary.

Mobile Courts: The use of mobile courts has been piloted in refugee communities and other hard to reach areas. The Judiciary also rolled out the Small Claims Procedure in some courts in the country, bringing the number of courts with small claims procedure to 46 (22.3 percent). The

[15] Mid-Term Review of the NRM Manifesto 2016-2021, Pg. 7

rollout exercise included public sensitization, media outreach and Court Open Days in the target Courts.

Figure 3.6: Proportion of small claims settled within 2 weeks of conclusion of hearing



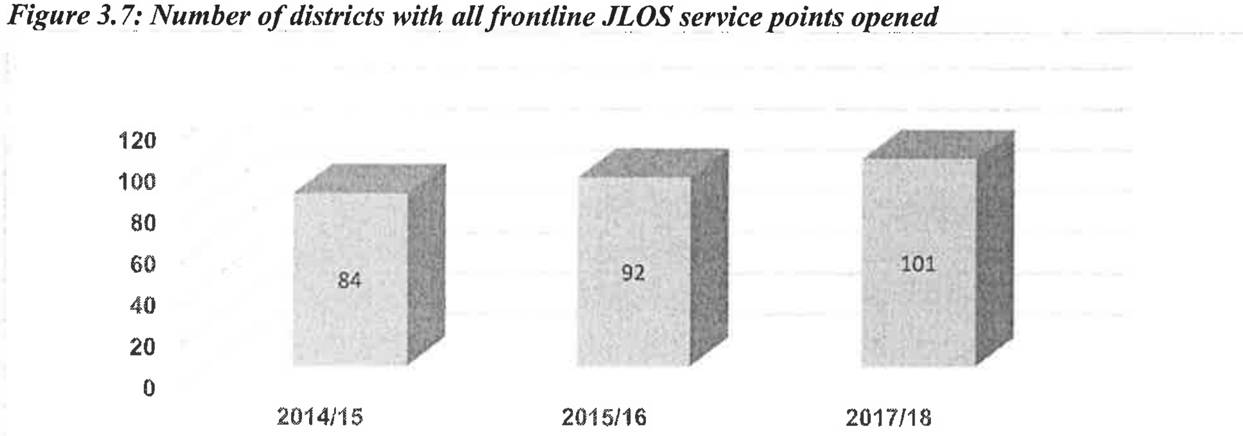
Source: JLOS Annual Performance Reports

Relatedly, there has been an expansion of the use of alternative dispute resolutions: Over the years the Sector has increased the use of Alternative Dispute Resolution Mechanisms and these have now become firmly grounded in its practice. Court annexed mediation is now an integral part of the dispute resolution mechanisms and the legal professionals are now firmly on board with this.

The Justice Law and Order Sector is working to ensure that the geographical distribution of its service points provide access to all communities and are spread proportionately across institutions, services and physical locations. Despite the heavy investment required to achieve full physical presence across the country, the sector remains mindful of the need to strike a balance between capital infrastructure reforms and building capacity of institutions to enhance access to justice.

The sector invested in the construction of 6 new justice centres in the reporting period. Five of them are already complete and the sixth is scheduled for completion in 2020 and when completed the number of districts with one stop frontline JLOS service points will increase to 67.5%[16].

Figure 3.7: Number of districts with all frontline JLOS service points opened

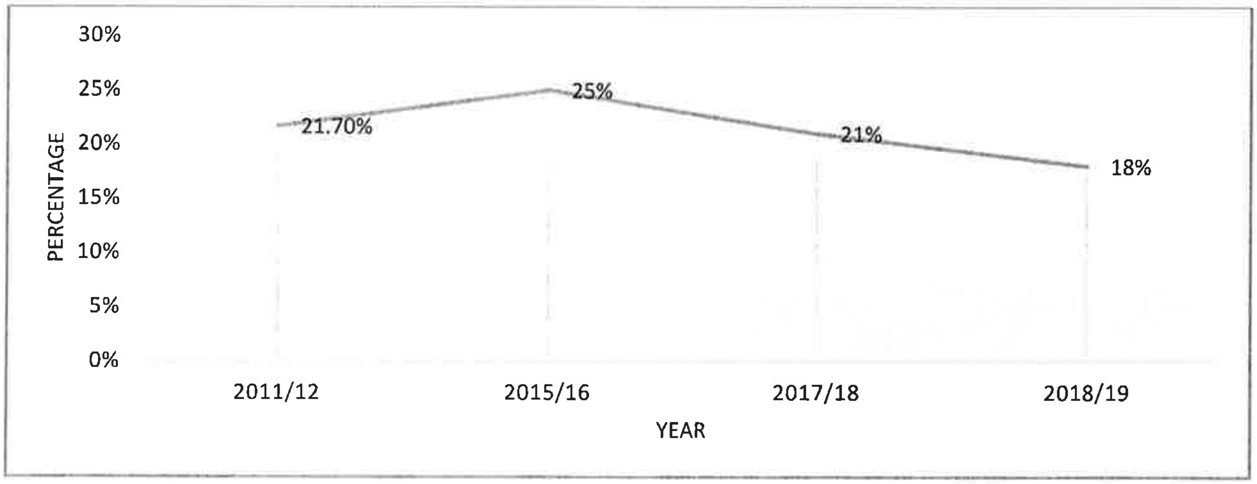


Source: JLOS Annual Performance Reports

[16] The Justice Law and Order Annual Performance Report 2018/19

The Sector reduced case backlog[17] from 21% in 2017/18 to 18% in 2018/19 a positive trend in achieving the single-digit case backlog target of 9% by 2021. This improvement is attributed to a number of factors including the de-concentration of services, adoption of a results based culture, staffing, enhanced stakeholder coordination, completeness of the chain of justice in many districts and improvements in support Supervisions as well as inspections, Staff training, adoption of innovations such as plea bargaining and rollout of alternative dispute resolution mechanisms as well as adoption of appropriate technology has played a big role in reducing backlog, lead times and average case load especially at magistrate court levels.

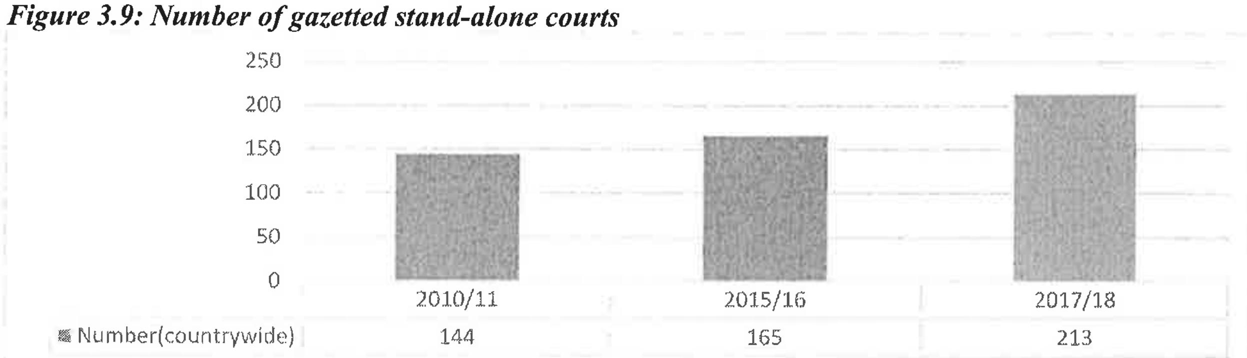
Figure 3.8: Case Backlog Reduction



Source: JLOS

Sector institutions have adopted the principle of 4:6 as per the Case Backlog Strategy where case backlog is given affirmative action in cause listing and that for every 10 cases handled by judicial and quasi-judicial institutions, four are backlogged. In the reporting period, 56,922 backlog cases were disposed of by the Judiciary. The greatest backlog however, remains under Land and Civil divisions of the High Court. In some institutions such as JSC, backlog has reduced by 60%. This has also been attributed to the increasing number of stand-alone gazette courts. The gazetted stand-alone courts have since increased from 144 in FY2010/11 to 213 in FY2017/18 (Figure 3.9).

Figure 3.9: Number of gazetted stand-alone courts



[17] Case backlog in Uganda refers to cases that have been pending for two or more years

Source: JLOS Annual Performance Reports

3.3.8.7 Efforts to fight corruption, bribery and money-laundering, the illegal transfer of funds and other illicit activities Strengthened

This is planned to be achieved under IPOA by strengthening anti-corruption laws and regulations and their effective application. Pursuing policy of zero tolerance to corruption through various legal frameworks has been undertaken by government. Progressive efforts to strengthen anti-corruption legislation and enforcement have been sustained through inter-sectoral cooperation and capacity building. A key milestone of 2018 was Cabinet's consideration and passing of the Uganda Zero Tolerance for Corruption Policy, 2018. This is intended to harmonize and strengthen government anti-corruption efforts, with a strong focus on enforcement and accountability.

In addition, JLOS in partnership with Accountability Sector institutions is developing key legislation necessary for further strengthening of the anti-corruption legal regime. These include the witness protection law, recovery of proceeds of crime law, amendment to the Leadership Code Act, the Income Tax (Amendment) Bill, 2016, and the Anti - Money Laundering (Amendment) Bill, 2016. The Anti-Corruption (Amendment) Act No. 21 of 2015 provides for confiscation of properties belonging to convicts of corruption among others. The table below illustrates an array of planned and ongoing anti-corruption legislative developments.

Table 3.6: Planned and ongoing anti-corruption legislative developments

Instrument	Focus	Status
Witness Protection law	New legislation to provide for mechanism and procedures for the protection and safety of witnesses.	Regulatory Impact assessment was finalised and the principles for the Bill are being prepared for submission to Cabinet
Amendment of Leadership Code Act	Amendment to provide for offences and penalties, and enforcement agency that are missing under the Leadership Code Act.	The Amendment is being drafted for Cabinet's consideration.
Proceeds of Crime law / Asset Recovery law	New legislation to comprehensively cater for asset recovery in corruption and other acquisitive crimes, and also provide for mutual legal assistance.	Principles of the new law were prepared, Regulatory impact assessment completed, pending presentation to Cabinet.
ACD Case Management Rules	Streamlining procedures for handling cases and management of evidence at the ACD.	Draft submitted to the Rules Committee of the Judiciary.
Asset Recovery Rules of Court under Section 67A of Anti-Corruption Act, 2009 (amended).	Asset confiscation and recovery orders, and guidance of trustees or receivers appointed by court.	Conceptual consideration by ACD Users Committee
Regulations under the Anti-Corruption Act, 2009 should be developed.	To specifically guide the implementation of the Ant-Corruption Act, 2009.	Not commenced yet.
Regulations under the Anti-Money Laundering Act, 2013 should be developed.	To specifically guide the implementation of the Anti-Money Laundering Act, 2013.	Not commenced yet.
Legislate for Mutual Legal Assistance.	To provide for reciprocal and legal assistance in cross border crime	Conceptualisation and study done.

Source: JLOS

In addition, H.E the President in the reporting period also set up an Anti-corruption Unit (ACU), a one-stop-centre specialized office under State House whose function is to receive corruption information from Ugandan citizens over a secure and confidential online platform and it is headed by Col Edith Nakalema. By October 10, ACU had received 58,400 corruption complaints of which 8,022 have been concluded, 4,017 still under investigation and another 35,280 cases have been referred to relevant Ministries, Departments and Agencies (MDAs) for administrative management18. The anti-corruption performance is equally positive under the macro Transparency International 2019 rating but not strong enough to warrant a higher score. Uganda moved from the 151st position to the 149th position among 180 countries

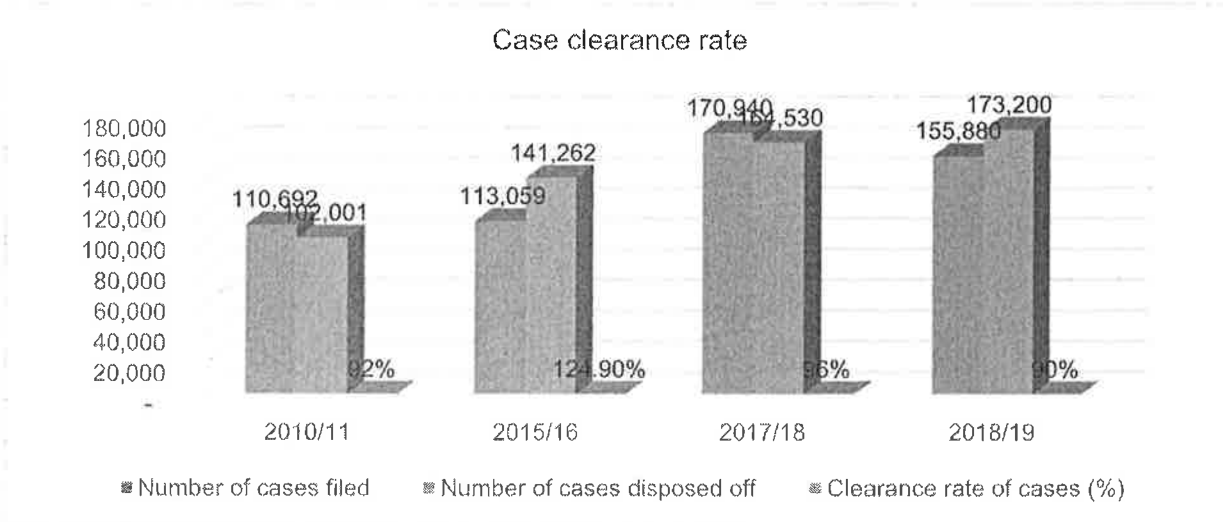
3.3.8.8 Integrate conflict prevention and resolution

This was to be achieved through peaceful means, peace building and nation building, as well as national reconciliation strategies, into national development plans, as appropriate. The Judiciary introduced Plea bargaining Rules in 2016 (Under section 41(1) and 41(2) (e) of the Judicature Act, Cap.13) in all courts of judicature. As at the end of FY2015/16, 2522 cases had been disposed off by the Judiciary through Plea bargaining. The objectives of these Rules are:

a. to enhance the efficiency of the criminal justice system for the orderly, predictable, uniform, consistent and timely resolution of criminal matters;
b. to enable the accused and the prosecution in consultation with the victim, to reach an amicable agreement on an appropriate punishment;
c. to facilitate reduction in case backlog and prison congestion;
d. to provide quick relief from the anxiety of criminal prosecution;
e. to encourage accused persons to own up to their criminal responsibility; and
f. to involve the victim in the adjudication process

[18] Daily Monitor, Thursday 24th October 2019

Figure 3.10: Case backlog (cases disposed as a % of cases filed)



Source: Justice, Law and Order Sector.

Prison Congestion Reduction (what message are we sending? When the prison number is increasing)

The prison holding capacity remains a challenge and a strain on prison welfare and the living conditions. Prison registered a fast-growing population at a rate of 8.0%, over two-fold the national population growth rate of 3.0%. The congestion is exacerbated by the very low rate of expansion of the prison holding capacity which increased by 24, from 17,280 to 17,304. This is notwithstanding renovation of 7 Prisoners' wards at Soroti prison. The completion of the new minimax-security prison at Kitalya and other ongoing constructions/ renovations of prison wards, will be a great relief to the prison congestion problem that has shot up from 318.8% to 342.6%.

Strengthen transitional justice and informal justice processes

There has been remarkable progress in the transition to justice over the IPOA period. To – date, government approved the transitional Justice Policy and had a 3 percentage point improvement in the clearance rate of cases in post conflict areas.

Transitional justice and informal justice processes

Indicators	Baseline (2016)	2017/18 Performance	2018/19
Clearance rate of cases in post conflict areas	85%	88%	88%
% of LCC I&II legally constituted	0	Elections held	
Transitional Justice Policy Approved	Draft	Submitted to cabinet	Approved by Cabinet

Source: JLOS

3.4 Progress towards graduation into Middle Income Status

Uganda's development approach of attaining middle income status focuses on improving general socio welfare and socioeconomic indicators. The development focus for Uganda targets a lower middle-income status that comes along with improvements in socioeconomic welfare for all Ugandans. In addition to targeting a per capita income of USD 1,039 (UGX 3.5 million per person per year and UGX 290,000 per person per month), it also targets socio-economic indicators. It targets a reduction in poverty levels from 19.7% to 14%, increasing the percentage of national labour-force in employment to 79%, increasing access to electricity from 14% to 30%, increasing life expectancy to 60 years, reducing infant mortality rate from 54 to 44 per 1000 live births, reducing under five mortality from 90 to 51 per 1,000 live births and maternal mortality from 438 to 320 per 100,000, increasing safe water coverage from 71% to 90% among others. Uganda therefore aspires for an inclusive lower middle-income status.

Over the last eight years, Uganda's nominal GDP has more than doubled growing from UGX 46.878 trillion in FY2010/11 to 63.74 trillion in FY 2012/13 and UGX 100.53 trillion in FY 2017/18. Subsequently, Uganda's Per capita income increased from USD 506 in 2010/11 to USD 724 in FY 2017/18. Economic indicators have also improved, particularly in terms of increased transport network, access to electricity and innovations in the use of mobile telephones for financial transactions. Social indicators have also improved in the areas of primary school enrolment (including gender parity in primary education), decreasing maternal and infant mortality rates, reduced prevalence and incidence rates of HIV/AIDS, among others.

To establish progress on graduation to middle-income status, IPOA adopted the United Nations Department of Economic and Social Affairs criteria for determining the level of achievement that enables low income countries transit into lower middle-income countries. In this regard, three criteria of; i) income, ii) human assets; and iii) economic vulnerability are applied with their respective benchmarks. Progress is detailed in the following sub sections.

3.4.1 Income Criterion

Whereas Uganda is fully committed to the implementation of its development plans (NDPI and II) that focused on propelling it to middle-income by 2020, the realised real GDP per capita outturns fall below the planned targets. It is important to note that progress has been made towards increasing per capita incomes as witnessed by the increment from USD715 (equivalent to UGX1.45 million) in FY2011/12 to USD825 (UGX1.674 million) in FY2018/19 (see Table1). However, there are three existing challenges which ought to be addressed to accelerate increased per capita growth and these are: bottlenecks in public investment management; low export growth given the depreciations in the real exchange rate and the non-reducing population growth. Public investment was supposed to be a significant source of growth in both NDPI and II but given the numerous bottlenecks in the public investment management cycle numerous core projects remain behind schedule. Of the 42 core NDPII projects only 3 have been completed, 13 are on schedule, 7 are behind schedule, 13 are due to for implementation, 4 are currently under feasibility while 2 have not yet taken off. At the same time whereas the exchange rate depreciation is expected to stimulate export growth, exports to GDP have stagnated at between 12-13 percent of GDP which has not helped the growth of household incomes. It is therefore imperative that bottlenecks in public investments are addressed, exports are rapidly and sustainably increased and also the investments in the country's population yield the much-needed demographic dividend espoused by the development plans.

Table 3. 7: Real GDP per capita Growth FY2011/12 to FY2018/19

GDP per capita const 2009/10 prices	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
GDP per capita (UGX '000)	1,450	1,459	1,490	1,524	1,556	1,571	1,622	1,674
GDP per capita (USD)	715	719	734	751	767	774	800	825
Population ('000)	32,087	33,029	33,990	34,964	35,885	36,904	37,942	38,999
Exchange rate UGX per USD	2,557	2,591	2,538	2,828	3,443	3,530	3,659	3,724

Source: UBoS and NPA Data Bases

Both the GDP per capita and the GNI per capita indicate that Uganda has not attained the inclusion criteria threshold set in the IPOA. While Uganda is focused towards transitioning into a lower middle-income country by 2020 in terms of policy actions as is espoused in its development plans, its uses GDP per capita and other socioeconomic parameters to measure this progress. The GNI per capita[19] as of 2018 stood at USD620 below the inclusion threshold of USD1,025 and the graduation threshold of USD1,230 that the country should have sustained 3 years running (see Table 3.7).. To be able to grow the GNI per capita, just like the case for GDP per capita, Uganda's total output by all nationals should increase. This is expected to increase through the proper implementation of her development plans particularly addressing public investment management bottle necks.

Table 3.8: GNI Per capita Trends 2011-2018

Uganda	2011	2012	2013	2014	2015	2016	2017	2018	Inclusion Threshold	Graduation Threshold
GNI Per Capita Atlas Method (USD)	630	640	650	690	700	660	620	620	1,025	1,230

Source: World Bank Data Base: https://databank.worldbank.org/source/world-development-indicators# September 28, 2019

3.4.2 Human Assets Index (HAI)

The human asset index components examined for graduation to middle income include: under-5 mortality rate; maternal mortality rate; percentage of population undernourished; gross secondary school enrolment; and adult literacy levels.

3.4.2.1 Under-5 Mortality

[19] GNI (formerly GNP) is the sum of value added by all resident producers plus any product taxes (less subsidies) not included in the valuation of output plus net receipts of primary income (compensation of employees and property income) from abroad.

There has been a significant improvement in the under-5 mortality rate which reduced from 137 per 1000 live births in 2010/11 to 90 in 2012/13. The improvement in the under-5 mortality rate continues and currently it stands at 64 per 1000 live births. Much as under-5 mortality has declined over the last decade, the decline is not as fast as anticipated in the NDPII that had projected under-5 mortality at 51 per 1,000 live births by 2020. With improved investment in the provision of health services, clean water, and sanitation the overall expenditure on health has had impact on improving under-5 mortality. Between 2015/16 and 2017/18 the cumulative expenditure on health sector budget constituted 13 percent of the national budget resources which translated into an average of 4 percent of GDP (National Planning Authority, 2019). Consequently, the health infrastructure network has increased and currently consists of 2 national referral hospitals, 19 regional referral hospitals, 147 district hospitals, 193 HC4s, 1250 HC3s and 3610 HC2s.

3.4.2.2 Maternal-Mortality

There has been an improvement in maternal mortality since 2012/13 as it has declined from 438 to 336 deaths per 100,000 live births in 2018/19. This decline is mirrored in the health sector's reported improvements in: antenatal care four visits increasing to 38 percent in FY2017/18 from 30 percent in 2010/11; health facility deliveries increasing from 58% in 2016/17 to 60% in FY2017/18 but still below the national target of 80 percent among others. Also, the sector also achieved an increase in the proportion of HC IVs offering Comprehensive Emergency Obstetric Care (i.e. Caesarean section and blood transfusion) from 44.6% (83/186) in 2016/17 to 48% (87/186) in FY2017/18 which has reduced maternal mortality (Ministry of Health, 2018). Significant progress has also been made in the provision of specialized medical care in gynecology. A modern state of the art women's hospital with a capacity of 320 beds was recently opened in Mulago. However, access and quality services remain low making Uganda lag in realizing Universal Health Coverage.

3.4.2.3 Undernourishment

The percentage of children who are undernourished has declined from 33 percent in FY2012/13 to 29 percent in 2018/19 although this is below the NDPII target level of 25 percent by 2020. In addition, the percentage of underweight children below 5 years has also improved as evidenced in the decline from 13.8 percent in 2012/13 to 11 percent in 2018/19. The improvements are partly attributed to the implementation of the national nutrition action plan that emphasises a multi-sectoral approach that takes into consideration disease prevention by tackling nutrition, WASH, road safety, improved housing conditions, life-styles, immunization, and environmental management.

3.4.2.4 Gross secondary enrolment

Despite the implementation of the Universal Secondary Education, gross secondary enrolment has dropped from 29 percent in 2012/13 to 25 percent in 2017/18 (Uganda Bureau of Statistics, 2018). In absolute numbers secondary school enrolment reduced from 1,457,277 to 1,370,583 in 2017/18. This trend is a drag on the achievements registered in increased primary school enrolment and increased transition and is likely to impact the literacy attainment and the skilling efforts by the Government. With a declining secondary school enrolment, graduation to middle income is likely to be impacted negatively. Ensuring increased transition from P.7 to secondary education and ensuring that pupils stay in school will greatly help in improving secondary enrolment.

3.4.2.5 Adult literacy

Generally, the literacy rate of persons aged 10 years and above has improved from 70 percent in 2012/13 to 74% in 2018/19. While this is a sluggish improvement over the years given that the country is implementing universal primary and secondary education, it basically implies that out of every 10 Ugandans aged 10 and above about 7 are literate. Relatedly the mean years of schooling have also improved from 4.5 years to in 2010/11 to 6.1 in 2018/19 although this is below the NDPII target of 11 years. In 2014 a Literacy and Numeracy Framework was accepted by basic Education and other primary education stakeholders. The participation in functional adult literacy programs has been increasing and the total number of adult learners who had been examined by end of 2014 was about 1,200,000 learners (956,000 females; 224,000 males). The proportion of women participating in Adult literacy increased by 278% percentage from 86,085 (2000) to 325,721 (2012). While formal basic education is contributing to improving literacy, adult literacy programmes are being implemented to scale up the overall literacy of the population which is lagging behind the national targets.

The overall assessment for the Human Asset Index is summarised in Table 3.8 below and it is evident that by 2020, the likelihood of Uganda graduating to Lower middle-income status may be far fetched It can be noted though, that while this is the case the country is steadily moving towards the inclusion threshold which has improved from 53 percent registered in 2016 to 54 in 2018 against the threshold of 66.

Table 3. 9: A summary of the Human Asst Index Score 2011-2019

S/n	Criterion	Indicators	Performance against IPOA threshold or scores	Overall Assessment for HAI
Health indicators				
1	Under 5 Mortality Rate	64	67	**54 Compared to 60 and 66 thresholds for inclusion and graduation respectively. Hence neither inclusion nor graduation by 2020.**
2	Maternal Mortality Ratio	336	72	
3	Population Undernourished	29	60	
Education Indicators				
4	Gross Secondary School Enrolment Ratio	25	17	
5	Adult Literacy Rate	74	65	

Source: NPA Computations

3.4.3 Economic Vulnerability Index (EVI)

The Economic Vulnerability Index (EVI) measures the structural vulnerability of countries to economic and environmental shocks. High vulnerability is a major impediment to sustainable development in view of heightened exposure to shocks and their long-lasting negative impacts (UNDESA, 2018). In this regard this index uses the following indicators: population size;

remoteness; merchandise export concentration; share of agriculture, forestry and fisheries; share of population in low elevated coastal zones; instability of exports of goods and services; victims of natural disasters; and instability of agricultural production. Broadly, however the EVI is split into two: (i) exposure index that captures largely economic shocks and environmental shocks; and (ii) the shock index that largely looks at trade vulnerability and occurrence of natural disasters.

3.4.3.1 Exposure Index

(i) Population Size

Uganda's population is projected at 40.006 million as of mid-2019 with a population growth rate of 3.0 percent and a total fertility rate of 5.4 percent. The growth in population rate has been slow as evidenced by the fact that since 2014 the population growth has declined by on 0.03 percent. The fertility rate has declined from 5.8 percent in 2012 to 5.4 percent in 2019. The biggest challenge of the population size is that the level of dependency is high. Uganda's population pyramid is broad based, implying that the majority of the population is young; a characteristic of a country with high fertility levels. The country has not yet fully undertaken comprehensive planning for harnessing the demographic dividend. A decline in fertility means a reduced dependency ratio and a larger proportion of the working age population, which should lead to higher rates of economic growth if the right investments are made in education and health. However, evidence shows that the movement of labour from agriculture (from 72.4% in FY2012/13 to 60.7% in FY 2016/17 of mostly youth aged 15-34 years) was not absorbed in industry due to the low industrial base. In addition, the quality of education and health services is still inadequate. This explains the reversal in poverty rates from 19.7 % in FY2012/13 to 21.4% in FY2017/18. To be able to harness the demographic dividend, proper investments in health and other social sectors will have to be undertaken to boost the productivity of the youth and reduce dependency.

(ii) Remoteness

Uganda's approach on remoteness is to ameliorate interconnectivity in the country and thereby link the citizens to key social amenities. Table 3.10 below shows the remoteness indicators contained in the National Standard Indicator Framework. As part of graduation into middle-income by 2020, Uganda undertook to monitor indicators on the national roads, electricity consumption and safe water coverage.

Table 3.10: Uganda's Remoteness Indicators

Indicator	Periodicity	2014/15	2015/16	2016/17	2017/18	FY2018/19
Total paved national road network kms	Annual	3,981	4,157	4,257	4,551	4,971
Proportion of paved national to total national roads	Annual	19.4	20.2	20.7	22.2	23.8
Kilometres of railway network	Annual	1,260	1,260	1,266	1,266	1,251
Kilometres of functional railway network	Annual	718.2	705	342	325	262
Volume of cargo transported by rail (Million tonnes)	Annual	171.1	165.7	118.9	7.8	39

Percentage of households with access to electricity		Annual	20	na	22	23	24
Consumption of electricity billion Kwh per capita			91.44	92.79	97.31	100.3	
Safe Water coverage	Urban	Annual	85	na	92.3	77	79
	Rural	Annual	66.6	na	74.9	70	69

Source: Uganda Bureau of Statistics, MW&T, MWE, MEMD

As of mid-2017 the urban population was 9.4 million which is 24.6 percent of the population with the rest of the 72.4 percent of the population living in rural areas. Increased urbanization is largely attributed to four factors, including; 1) gazetting of new urban areas, 2) natural increase (difference between number of live births and number of deaths) and 3) demarcation of the boundaries of selected urban areas, 4) rural - Urban Migration. The consumption of social amenities has been improving as seen in the Table 3.10 above as 79 percent and 69 percent of urban and rural people respectively access safe and clean water. The km of total paved national roads has risen from 3,919 to 4,971 km over FY2014/15 and FY2018/19 although this is still below the NDPII target 6,000 by 2020.The percentage of households with electricity also increased from 20 to 24 percent between FY2014/15 to FY2018/19. There was also an increase of telephone subscribers from 23.206 million subscribers in 2016 to 23.211 million subscribers in 2017 and an increase in the value of mobile money transactions from UGX4,791 billion in 2016 to UGX6,583 billion in 2017 equivalent to 37 percent increase.

(iii) Merchandise Export Concentration

Uganda's export earnings continue to be dominated by commodity exports largely coffee. The value of coffee exports has averaged above 10 percent of the total export earnings. Of late there has been a surge in gold exports. In FY2018/19 gold contributed 27 percent of export earnings while coffee contributed 10.5 percent. Other significant export commodities contributing significantly to merchandise exports include: fish; informal cross border trade that largely constitutes grains, cereals and other food stuffs; tobacco; and tea as is shown in the Table 3.10 below.

Table 3.11: Value of Merchandise Exports

	FY2015/16	FY2016/17	FY2017/18	FY2018/19	% Shares
1. Coffee (Value)	**352.03**	**490.51**	**492.47**	**416.19**	10.505
2. Non-Coffee formal exports	**1,946.10**	**2,299.90**	**2,455.15**	**3,045.20**	76.866
Electricity	17.10	45.14	43.42	45.74	1.155
Gold	204.26	433.66	343.31	1,068.39	26.968
Cotton	24.29	48.31	41.16	54.21	1.368
Tea	74.50	67.86	91.61	88.68	2.239
Tobacco	73.23	46.95	54.21	85.66	2.162
Fish & its prod. (excl. regional)	115.15	131.60	146.31	185.96	4.694

Hides & skins	56.01	50.94	54.64	31.92	0.806
Simsim	29.59	16.16	22.42	28.03	0.707
Maize	81.97	78.49	124.81	59.42	1.500
Beans	49.05	55.45	123.41	39.81	1.005
Flowers	49.10	53.58	61.86	58.15	1.468
Oil re-exports	123.08	124.12	129.21	133.85	3.379
Cobalt	0.00	0.00	0.00	0.00	0.000
Others	1,048.77	1,147.63	1,218.78	1,165.38	29.416
3. ICBT Exports	**389.70**	**483.68**	**589.03**	**500.33**	12.629
Total Exports	**2,687.83**	**3,274.09**	**3,536.65**	**3,961.72**	100.000

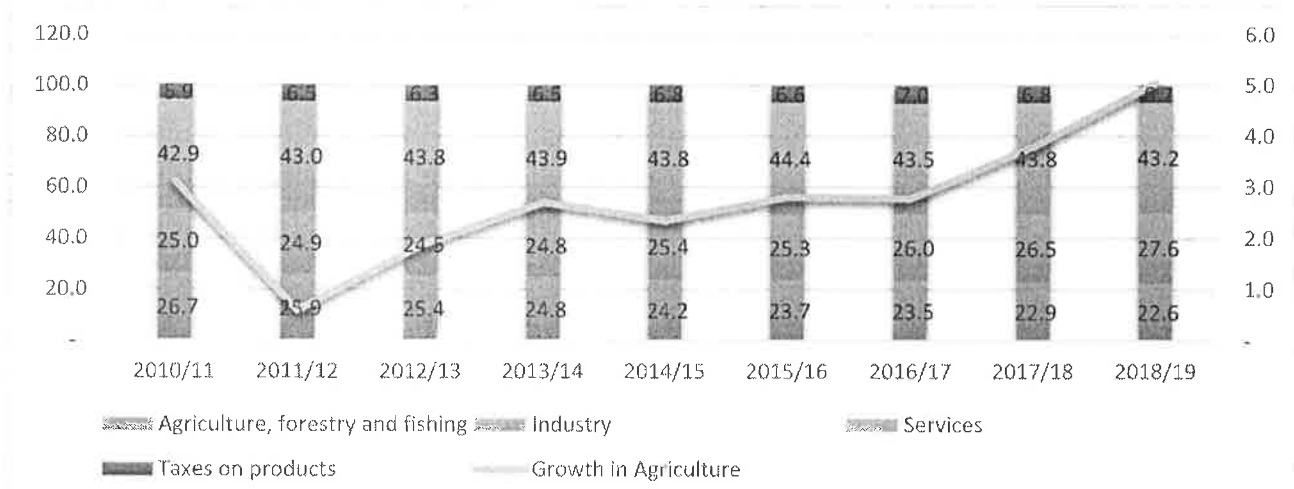
Source Bank of Uganda

As of 2018, the UNCTAD estimated Uganda's merchandise exports concentration at 0.25. This is based on the Herfindahl-Hirschmann index. This is a fairly less concentrated product market which resonates with Government of Uganda's numerous exports diversification programmes and policies. A more concentrated export structure indicates higher vulnerability to shocks, as a relatively larger part of the export-oriented sectors can be potentially affected by shocks in specific product markets. To guard against export-oriented shocks and attract more foreign exchange earnings, Uganda will need to stimulate exports by addressing the supply side rigidities that hinder faster growth of imports. This is largely in the areas of supply logistics, slow-paced industrialization to support value addition and costs of inputs such as electricity.

(iv) Share of Agriculture in GDP

The share of Agriculture in GDP declined from 23.9 percent in FY2011/12 to 20.6 in FY 2018/19 which is an indication of decreased exposure to economic shocks. While the share of agriculture to GDP has declined that of services has risen from 49 percent in FY 2011/12 to 53 percent in FY 2018/19 whereas the share of industry in GDP has stagnated at 18 percent of GDP (see Figure 3.8). Food crops, livestock and forestry contribute the biggest output of Agriculture while cash crops are contributing less. The increase of the share of services in GDP is an indication that labour is moving from agriculture to services and not industry. The slow pace of industrialization does not help the cause of increasing productivity in agriculture and as such there seems to be little forward and backward linkages between the two sectors. Since many households are still dependent on agriculture even though its share in GDP is declining, it is imperative that productivity in both agriculture and industry is increased for a faster structural transformation process.

Figure 3. 11: Share of Agriculture in GDP



Source: Uganda Bureau of Statistics

(v) Share of population in low elevated coastal zones

This does not apply to Uganda

3.4.3.2 The Shock Index

(i) Instability of Exports of Goods and Services

The long run variability of exports is essential in explaining shocks to an economy that come as a result of variability in export earnings. The National Standard Indicator framework sets out to track two indicators namely; the value of exports in USD and the export to GDP level. Table 3.11 gives a snapshot of the two indicators between FY2015/16 to FY 2018/19. It is evident that total exports have grown from USD2,687 million to USD3,961 million in 2018/19 although the export to GDP level for this period averages 12.5 percent. Despite the formulation and implementation of the National Exports Development Strategy (NEDS) FY 2017/18-2021/22, and its attendant national action plan, exports to GDP has not significantly grown which undermines the size of the export earnings and household earnings as well. Based on the United Nations Statistical Division (UNSD) data, Uganda's instability of exports of goods and services is 14.6 percent. It signifies a low exports base mainly made up of commodity exports for the last 20 years. For sustainable inclusion and graduation diversification of the export base to smoothen export earnings must take place. In this way, Uganda will be sustainably protected against export earnings fluctuations arising from export of primary commodity exports.

Table 3.12: Value of total exports FY2015/16-2018/19

	FY2015/16	FY2016/17	FY2017/18	FY2018/19
Total Exports in USD Million	**2,687.83**	**3,274.09**	**3,536.65**	**3,961.72**
Nominal GDP UGX Billion	83,091	91,718	100,586	109,945
Nominal GDP in USD million	24,133.556	25,984.896	27,489.039	29,525.198
Exchange rate	3,443	3,530	3,659	3,724

Exports/GDP (%)	11.1	12.6	12.9	13.4

Source: BoU

(ii) Victims of Natural Disasters

The indicator measures the share of the population who are victims of natural disasters. Victims of natural disasters are defined as people killed or affected (i.e., people requiring immediate food, water, shelter, sanitation or medical assistance). It includes those affected by weather and climate related disasters (such as floods, landslides, storms, droughts and extreme temperatures) as well as geophysical disasters (such as earthquakes or volcanoes). The indicator reflects vulnerability to natural shocks, in particular the human impact of natural disasters associated with these shocks.

Over the last decade Uganda has registered a number of natural disasters such as landslides in Eastern Uganda mainly Buduuda district in Mt. Elgon area, flooding of River Nyamwamba in the Rwenzori region and some other climatic change disasters. Table below indicates the total number of people affected by the spontaneous disasters in the last few years. In the last 3 years, 612,507 Ugandans have been victims of natural disasters. This translates into 1.58 percent of the population. To be able to graduate towards middle-income, Uganda should sustainably invest in disaster detection and prevention as well as put in place sufficient response measures.

Table 3. 13: Victims of natural disasters statistics

No.	Type of disaster	2015/16	2016/17	2017/18	Totals
1	Number of Deaths registered	28	108	38	**174**
2	Number of Injured persons	32	20	411	**463**
3	Number of Missing Persons	-	-	51	**51**
4	Number of persons Affected	199,351	71,000	341,222	**611,573**
5	Number of persons relocated	-	-	37	**37**
6	Number of Persons Evacuated	150	37	22	**209**
	Total	**199,561**	**71,165**	**341,781**	**612,507**

Source: UBOS

(iii) Instability of Agricultural Production

The indicator measures the variability of a country's agricultural production over a relatively longer period. A high variability of agricultural production is indicative of high vulnerability to natural shocks, as such variability often reflects the impacts of natural shocks, including droughts and disturbances in rainfall patterns.

The National Standard Indicator Framework by UBoS uses the volume of agricultural production of selected commodities, the value of agricultural export earnings and the environment to implement the Istanbul plan of Action on inclusion and graduation into middle-income. Table 3.13 summarises the trends in agricultural production.

Table 3. 14: Instability in the Trends of Agricultural Production

	2014/15	2015/16	2016/17	2017/18
1. Volume of the agricultural production ('000 Tonnes)				

i. Plantain Bananas (All types)	4,578	4,623	3,396	4,660
ii. Millet	236	236	194	196
iii. Maize	2,868	2,813	2,483	2,809
iv. Rice	237	238	215	190
v. Beans	1,011	1,080	810	751
vi. Gnuts	295.6	296	275	198
2. Value of the Agriculture Exports ('000 USD) (Formal)				
i. Coffee	410,064	352,058.3	490,513.7	492,213.9
ii. Cotton	21,918	24,543	48,416.7	41,169.7
iii. Tea	84,739	74,472.3	67,810.7	9,1525.7
iv. Tobacco	66,018	73,179.6	52,291.9	59,999.4
v. Fish and Fish Products	134,791	114,814.5	131,601.3	144,220.1
vi. Maize	43,567	81,817.1	79,155	124,444.9
3. The Environment				
8.3: Forest Cover (% of total area)	11	9.5	9.5	
8.4: Wetland cover (% of total area)	1.9	3.7	3.7	

Source: UBoS

There are variabilities in agricultural production as evidenced in the production of most of the crops reported in Table 3.13 above. Specifically, rice production which is a widely consumed across Uganda is low and yet falls in production in FY2017/18. This is the same case with ground nuts, beans and maize. This points to situation where the country's agricultural production is still dependent on rain-fed processes with no sufficient irrigation schemes, low fertilizer intake, with very low adoption to modern production techniques. Besides, the declining forest cover from 11 percent to 9.5 percent signals, climate change threats that introduce production shocks when whether patterns change.

The overall summary of the Economic Vulnerability Index for graduation to middle-class stands at 32.3 which is above the graduation threshold as is shown in Table 3.14 below. Uganda should aim at reserving the gains achieved in reducing vulnerabilities to economic shocks and responding to other shocks that lessen welfare of households.

Table 3. 15: Economic Vulnerability Indicators

S/n	Criterion	Indicators	Performance against IPOA threshold scores	Overall Assessment for HAI
Exposure Index				
	Population in millions	40	1.76	32.3 score for inclusion higher than 32 threshold for graduation
	Remoteness	67.7	9.02	
	Merchandise Export Concentration UNCTAD	0.25	1.10	
	Share of Agriculture in GDP	21.03	2.12	
	Share of Population in low elevated coastal zones	n/a	-	
Shock Index				
	Instability of Exports of Goods and Services	14.6	8.00	
	Victims of Natural Disasters	1.58	9.47	

	Instability of agricultural production	2.8	0.88	

Overall, of the three graduation criteria (income, economic vulnerability and human assets index) Uganda meets only one and that is the economic vulnerability index. This implies that while the economy is resilient in terms of withstanding economic shocks, the per capita incomes are still low and the socioeconomic services delivered in health, education and WASH are inadequate to meet the standards of an economy moving towards middle income.

Chapter 4: Coherence and Linkages with the 2030 Agenda and Other Global Processes

4.1 National Coordination of the 2030 Agenda

Following the adoption of SDGs in 2015, in 2016, Government of Uganda developed a framework to guide the coordination of the implementation of the 2030 Agenda under the leadership of the Office of the Prime Minister. This SDG's coordination framework was subsequently approved by Cabinet and presented to Parliament in that same year. In 2018, a National Road map to create an enabling environment for implementation of SDGs was launched to accelerate the attainment of the 2030 Agenda. This established an institutional coordination framework that brings together all players; both state and non-state actors including local governments to deliver on the SDGs and the 2030 Agenda.

4.2 National planning process and the 2030 agenda

The goals and targets of SDGs are implemented through plans, strategies and projects by all Ministries, Departments and Agencies (MDAs), and Local Governments (LGs) in Uganda. This process of integration involves taking into account the national and subnational contexts right from the setting of goals and targets, to determining the means of implementation and using indicators to measure and monitor progress through the national monitoring and evaluation system. The United Nations inter-governmental negotiations on the SDGs in 2015 coincided with the preparation of the NDPII. Government used this opportunity to integrate the SDGs framework into the National Development Plan. This resulted in a 69% integration level. Now that the process of developing the NDPIII (2020/21 – 2024/25) is ongoing, appropriate measures are being undertaken to ensure development of strategies for implementing SDGs at sectoral, agency and local government levels as well as among non-state actors to ensure full localization and mainstreaming into the national development agenda.

The work of Sectors, MDAs and LGs is guided by strategic plans developed by the institutions themselves under the guidance of the National Planning Authority (NPA). These plans are aligned to the NDP, and thereby the SDGs. The Technical Working Group (TWG) on Planning and Mainstreaming led by National Planning Authority coordinates the mainstreaming of SDGs into all plans, projects and budgets and in the MDAs and LGs. Sectors and LGs are key implementers of the SDGs through their day to day activities. The leadership of NPA in the mainstreaming process ensures that all development efforts and interventions are working towards the same goals and targets. This is a continuous process that involves coordination of the implementation of development activities within their respective mandates.

Ministries, Departments and Agencies (MDAs) implement SDGs through their day to day work. All MDAs are expected to have indicators for the specific SDG targets that they contribute to through ongoing activities, and ensure that all plans, budgets and activities reflect relevant SDGs. As we coordinate SDGs, issues of data gaps and data capacity are already manifesting. MDAs being the main producers of administrative data are tasked to produce data continuously to inform national and local strategies and monitor progress. This data is collated by the Uganda Bureau of Statistics (UBOS) and feeds into national SDG coordination processes.

It is a requirement that all development projects are submitted to the Ministry of Finance, Planning and Economic Development (MoFPED) and appraised for their alignment with the National Development Plan goals and objectives, which are in line with the 2030 Agenda for sustainable development and the associated SDGs.

4.3 Local Government involvement

Local Governments are at the fore front in the implementation of major government policies and programmes. They are key interlocutors in the implementation of SDGs at the local level. This will be through addressing local challenges, defining priorities and solutions; and mobilizing communities to actively participate in the development process. Local Governments produce disaggregated data that helps to identify those that are being left behind in the journey towards sustainable development. With UNDP and UNCDF support, the planned roll out of the *SDGs Local Governance Diagnostic Tool* will go a long way in ensuring full localization of the SDG process at the local government level.

4.4 Role of Parliament in 2030 Agenda

Parliament and Members of Parliament (MPs) play a significant role in mobilizing and allocating resources as well as providing oversight in the implementation of national programmes in support of the SDG agenda. In addition to this, Members of Parliament are champions, advocates, mobilisers and ambassadors for the SDGs due to their proximity to people in their constituencies. The partnership with the Parliamentary Forum on SDGs could be strengthened to increase awareness building among citizens and by keeping an SDG lens during resource allocation and oversight roles in Parliament.

4.5 National Standard Indicator Framework

The SDGs indicators are integrated into national processes through the National Standard Indicator (NSI) Framework. The indicators are aligned to the overall goal and objectives of the NDP II. Data is regularly produced spearheaded by the Uganda Bureau of Statistics on indicators in the NSI. This data is used to track progress in the implementation and achievement of national priorities, through the National M&E System. In addition, the Auditor General of Government can also support implementation through the Annual Auditor General's Report to Parliament by ensuring that its report on the performance of MDAs includes a focus on implementation of SDGs. The Office of the Prime Minister, the Ministry of Finance and NPA have a critical role to play in ensuring that sector and national plans as well as projects with partners are linked to SDG implementation as part of national objectives.

4.6 Costing the agenda 2030

A costed National SDG Roadmap which contains priority actions to catalyse the implementation of SDGs across the country, was developed and launched in October 2018. The roadmap aligns and synchronizes approaches and efforts of government and all stakeholders for the strategic attainment of the SDGs.

4.7 Readiness to implement agenda 2030

All activities, initiatives and projects related to the implementation of the SDGs are mainstreamed in existing structures, coordinated under the National SDG Coordination Framework, and overseen through the SDG Roadmap. The institutional capacities of the SDG Coordination Secretariat have been strengthened with equipment and dedicated staff. Request has been made to the UN Country Team to provide catalytic financial and technical assistance to strengthen the National SDG Coordination Mechanism to effectively implement the National SDG Roadmap.

NPA has received support from the UN System towards domestication and prioritization of the SDGs and the African Union Agenda 2063 into Uganda's planning frameworks. A specialized professional institution— the Millennium Institute—was procured to: 1) build a customised iSDG model for Uganda; 2) use the model to conduct integrated policy analysis across the SDG sectors, and ensure alignment of the SDGs and Agenda 2063 to the NDPIII and the 10-year NDP taking into account Uganda's Vision 2040 as well as estimating investments requirements until 2030 to accelerate achievement of the SDGs; and 3) build capacity within NPA to operate the iSDG Uganda model and conduct policy analysis using the model.

In addition, NPA is conducting an SDG policy and institutional gap analysis focusing on understanding the extent of alignment of selected policies with the SDGs and targets and where gaps remain. The institutional aspect of the analysis seeks to ascertain the degree to which selected institutions display a readiness to implement the SDGs. This process is expected to inform the development of an SDG mainstreaming framework for the NDPIII and the review of the Sector Development Planning Guidelines to improve guidance to sectors for mainstreaming SDGs in sector plans.
Uganda integrated the SDGs at target level in the National Development Plan II and thus the data for SDG indicators is generated during routine implementation of the NDP II. To streamline the data generation for SDG indicators, the (UBOS) established an SDG Data Technical Working Group and goal specific data technical committees with representation of key producers of the respective SDG indicators. The SDGs data technical committees handle work on methodology, baseline information and routine production of the different SDG indicators. The SDG goal technical committees report to the SDG data TWG that meets quarterly and deliberate on progress made in the quarter.

The Bureau of Statistics compiles quarterly progress report on the SDG data production and development to document achievements, challenges, lessons learnt and recommendations for improving availability of quality data for reporting on SDGs in a given quarter.

All sectors in Uganda contribute to SDG processes, State as well as non-State actors. Private sector through the Private Sector Foundation (PSFU) partners with Government, private sector and various development agencies to support the achievement of specific SDGs.

Uganda's Civil society has made significant progress in establishing structures for improved coordination for the achievement of the goals, public awareness creation and implementation of specific activities and projects to contribute to the achievement of SDG targets. In all these processes the idea has been to ensure that CSOs are engaged in the SDG process and continue to engage in policy discussions on SDGs. Civil society continues to participate in the SDG coordination meetings in the Office of the Prime Minister and other relevant spaces both locally and internationally.

The Ministry of Finance, Planning and Economic Development (MFPED) has worked with UNDP to carry out analysis of the current partnership architecture in order to understand its readiness to support the realization of sustainable development. A Uganda country pilot study of the global partnership for effective development cooperation (GPEDC) has been finalized. This report takes stock of Uganda's Partnership through the GPEDC's principles of; Country ownership, accountability, effectiveness and inclusiveness. It makes a number of important recommendations that will guide the implementation of more effective development cooperation in Uganda.

In addition, MFPED has prepared a Development Finance Assessment (DFA) for Uganda which is the very first development finance study of its kind in Uganda. It seeks to identify and build consensus around solutions to address development financing challenges. Further complementing the recent review of the NDPII and the ongoing preparation of the NDPIII, the DFA will help inform the state of different financing flows and financing needs, both at national and local government levels. The DFA is an important tool towards developing Uganda's first Integrated National Financing Framework (INFF), in line with the Addis Ababa Action Agenda.

Further, the Uganda Bureau of Statistics successfully integrated a multidimensional poverty module in the Uganda National Household Survey series. This is an unprecedented opportunity to broaden and deepen Uganda's rich vulnerability and deprivation analysis tradition centred on monetary measures of poverty. According to these ground breaking efforts to enhance national statistics, 47% of Ugandans live in multidimensional poverty. Moreover, children below 18 years of age, representing the majority of the population in Uganda, experience the highest incidence of multidimensional poverty at 56%.

The UN agencies have been active in contributing to strengthening policy mechanisms, coordination structures and an enabling environment for the implementation of the agenda 2030 through structures aligned to the national SDG structures. Their focus has been on supporting the acceleration of the localization of the SDGs and building on Uganda's leadership in their adoption in 2015.

Uganda has taken a decision to conduct a VNR in 2020. The decision was communicated via a formal letter from Uganda's UN Permanent Representative to the President of UN Economic and Social Council (ECOSOC) and has been accepted.

Preparations are underway to measure progress made on each of the specific SDGs to enable compilation of the National SDG Report that will be presented at the High Level Political Forum (HLPF) in New York, July 2020.

Chapter 5: Towards the next LDC Agenda

5.1 Lessons learnt

1. Strengthen public investment management which has remained a challenge to implementation of development plans. Key bottlenecks include challenges in alignment between the planning, budgeting and budget implementation, project development and readiness, among others.

2. There will be need to prioritize investment in the productive sectors (particularly in agriculture, manufacturing and tourism) in order to optimize use of the infrastructure capacity that has been put in place in form of increased electricity generation capacity, all weather roads and telecommunications services.

3. Value addition in both food and cash crops will be critical to improve the food security and nutrition status of Ugandans and uplift the 68% who are involved in subsistence agriculture.

4. Strengthen efforts aimed at identifying market opportunities in global and regional protocol to which Uganda is signatory. Some of these include (East African Community, the Africa Continental Free Trade Area (AfCFTA), FOCAC (Forum for China Africa Cooperation), and others. This is aimed at increasing export receipts to improve the trade deficit.

5. Holistically invest in human capital development and effectively manage the population. There is need to prioritize interventions aimed at determining human resource requirements for the economy and re-engineer the formal and informal education systems to respond in a timely manner. In addition, effort should be put towards tackling the burden of disease through prevention initiatives.

6. Intensify efforts to increase the forest and wetland cover, promote climate change adaptation and mitigation, disaster risk reduction to moderate and also reverse some of the impacts felt especially by the most vulnerable.

7. Identify and exploit alternative revenue sources to complement domestic revenue collection. In addition to enhancing domestic revenue mobilization, there will be need to explore other forms of financing.

5.2 Recommendations

1. Design and implement a mechanism that will require much stronger alignment and integration between the planning, budgeting and budget implementation processes to improve public investment management. In particular, strengthen project preparation and appraisal to improve the implementation of projects.

2. Increase production, productivity and value addition in agriculture by addressing challenges in the selected thematic technical areas including critical farm inputs, mechanization and water

for agricultural production; and improving agricultural markets across the commodity value chains.

3. Invest significantly in an integrated and interoperable transport infrastructure to facilitate evacuation of goods from the production areas to collection and processing centers for export. Infrastructure corridors will play a critical role in enhancing efficient and cost-effective movement of freight and passengers to accelerate trade and services.

4. Invest in the production of human capital with the appropriate skills, knowledge and good health following a life cycle approach. Emphasis should be on the following: enhancing child and maternal nutrition outcomes through increasing provision of pre-conception services, ensuring that all mothers and infants are fully immunized, well nourished, and mothers attain the four required antenatal visits and keeping girls at school for at least 11 years; improving the functionality of health facilities at all levels and strengthen the emergency and referral system; increasing labour productivity among others.

5. In order to reverse the degradation on the environment, natural resources as well as the effects of climate change on economic growth and livelihood security, focus should be on; promoting rural and urban plantation development and tree planting including the local and indigenous species; developing and implement integrated catchment management plans for water resources catchment areas; demarcating and gazetting conserved and degraded wetlands; scaling up agroforestry as a climate smart agriculture practice; building capacity for climate change adaptation and mitigation including hazard/disaster risk reduction; institutionalizing programme disaster risk planning, and enhance access and uptake of meteorological information.

6. Increase electricity consumption through increased access to the national grid particularly for productive use. Similarly, enhance capacities in energy production and distribution with the aim of ensuring access to energy for all.

7. Improve monitoring systems, minimize illegal connections, review energy pricing and expand use of prepaid meter systems to increase efficiency and lower the tariff. There are high power losses due to leakages and therefore there's need to have this addressed in the medium term.

8. The scale up of off grid community solar plants to increase access especially in remote areas will be considered to ensure energy equity.

9. There will be need to boost agricultural production/productivity and agro-processing, mineral beneficiation, oil refining, tourism expansion, and labour-intensive light manufacturing (including cottage industries) for increased labor productivity and increased export earnings. Uganda should also take advantage of the regional markets focusing on market expansion of which 60% of exports are destined to the regional markets.

10. Although enrolment in primary education has improved, quality and completion rates need to be enhanced and enrolment rates at the secondary and tertiary levels need to increase. In addition, there are still millions of primary-school-age children who are out of school.

11. Although progress has been made towards eliminating gender inequality in primary education, the same is yet to be achieved at the secondary and tertiary levels. Lack of economic opportunities, coupled with low levels and poor quality of education and lack of appropriate training, are significant causes of youth unemployment in least developed countries and should be addressed in the IPOA 2021.

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Chapter 6: Statistical Annex

Annex 1.1: Progress and alignment towards implementation of the IPoA

No.	KRA	Goals and Targets	Indicator (proxy indicators that relate to Uganda context in some cases		2010 /11 (baseline)	Mid Term (2015/16)	Status (2018/19)	Target for 2020 under NDP II	Istanbul target	commentary
		Priority Area 1: Increase productive capacity								
1	Productive capacity	Value addition	Labor force distribution in line with sectoral contribution (%)	Agriculture	65.6					
				Industry	7.6					
				Services	26.8					
			Value Added (% change)	Agriculture			3.8			
				Industry			6.1			
				Services			7.7			
2	Science, technology and innovation	Access to telecommunication services	Mobile Phone coverage		9.5m lines	15.7m lines				
			Access to the Internet/ internet penetration		20.7 (2012/13)			50	100 %	
3	Energy	Primary Energy Supply per capita	Per capita energy consumption (KgOE)		349.2	376.7	389.2			
4		Electricity generation	Total Installed capacity (MW)		595MW	947 MW (2016/17)	1182.266	2,500	increase the share of electricity generation	
5		Enhancement of energy production and distribution	% population with access to electricity		11	20.4	24%	30	ensuring access to energy for all by 2030	
6	Infrastructure	Increase in combined rail and paved road mileage and sea and air networks by 2020	Proportion of freight cargo by rail		3.5	8.3	9.1 (June 2019)	25.5		
			Total paved national road network (km)		3,000	4,219.7	4,971 (June 2019)	6,000		
			Proportion of paved national to total national roads (%)		16	21 (2016/17)	23.8 (June 2019)	25		
			International air passenger traffic through Entebbe		1.34 million (2012/13)	1.47 million	1.73 million (June 2019)	2.16 million		
7		Inclusive and equitable economic growth and	Income per Capita (USD)		506	671		1039		
			GDP growth rate		5.6	4.8		6.3		

No.	KRA	Goals and Targets	Indicator (proxy indicators that relate to Uganda context in some cases	2010 /11 (baseline)	Mid Term (2015/16)	Status (2018/19)	Target for 2020 under NDP II	Istanbul target	commentary
	Private sector development	sustainable development in the country	Income Distribution (GINI Coefficient)	0.43	0.395		0.452		
	Priority Area 2: Supporting Agriculture, Food Security and Rural Development								
1	Agriculture, food security and rural development	Eradicating hunger by 2020	Share of population below poverty line	24.5	19.5	21.4	14.1		
2		Increase investment in rural infrastructure	Price volatility/ stability						
3		Ensure access to safe food and emergency food assistance	Share of agriculture, forestry and fishing in GDP (%)	2.9	2.3		3		
			Average nominal household Income (Ugx)				416,000		NHS, 2016/17
	Priority Area 3: Trade								
1	Trade	Increase the share of LDC trade in global trade	Manufactured exports as a proportion of total exports (%)	4.2	8.5	12.3	19	Doubling the share of LDCs exports in global exports by 2020	
2		Finalize Doha Round of Trade Negotiations							
	Priority Area 4: Commodities								
1	Commodities	Broaden LDCs' economic base in order to reduce commodity dependence	Reducing commodity dependence					Uganda has identified 12 flagship enterprises to reduce the dependence on just coffee, tea and tobacco and to increase her trade competitiveness. These include coffee; cotton; tea; maize; rice, cassava, beans; fish; beef; milk; citrus and bananas	
		Priority Area 5: Human and Social Development							
1	Education and training	Ensure universal access to free primary education by increasing the enrolment and retention rates, and also increase access to secondary, tertiary and vocational education and	Enrolment: Boys	4,179,248					
			Enrolment: Girls	4,195,400					
			Enrolment: Total	8,374,648					
			Gross Enrolment Ratio	128%			111.8%		
			Retention: Repeaters	845,575					
			Retention: Dropout rate	4.20%					

No.	KRA	Goals and Targets	Indicator (proxy indicators that relate to Uganda context in some cases		2010 /11 (baseline)	Mid Term (2015/16)	Status (2018/19)	Target for 2020 under NDP II	Istanbul target	commentary
		skill development training	n rates							
			Enrolment- secondary	Male	662,003					
				Female	596,081					
				Total	1,258,084					
			Gross enrolment ratio - secondary		28%					
			Gross enrolment ratio - secondary							
			Enrolment - tertiary	Male	100,831					
				Female	78,738					
				Total	179,569					
			Gross Enrolment ratio - tertiary		5.1					
			Enrolment - BTVET		40,428	42,674		64,011		
		Increase the quality of education and training that is offered at all levels and increase literacy and numeracy rates of adults and children	Literacy	P.3	57.6%					NAPE, 2010
				P.6	50.2%					
			Numeracy	P.3	72.8%					
				P.6	54.8%					
		Eliminate gender disparities in education and training and ensure equal quality of education between males and females	Percentage share of primary school enrolment	Male	50.06%			50%		
				Female	49.9%			50%		
		Achieve targets under MDGs 4 and 5 by 2015 further significantly reduce the infant, under-five and maternal	Infant mortality rate		54		43	44	31	UDHS, 2016
			Under – five mortality (per 1,000 live births)		90		64	51	56	
			Maternal mortality ratio (per 100,000 live births)		438		336	320	131	

No.	KRA	Goals and Targets	Indicator (proxy indicators that relate to Uganda context in some cases	2010 /11 (baseline)	Mid Term (2015/16)	Status (2018/19)	Target for 2020 under NDP II	Istanbul target	commentary
		mortality rates and child under-nutrition by 2020	child under-nutrition						
2	Population and primary health	Provide universal access to reproductive health by 2015	Contraceptive prevalence rate	30		39	50		UDHS, 2016
		Achieve targets under MDG 6 by 2015 and, building on this, further reverse the spread of HIV/AIDS and the incidence of malaria and other major diseases	Unmet need for family planning	34.3		28%			
			Condom use at last higher-risk sex among 15-24-year-old	43.9		69.3			
			Proportion of 15-24-year old who have comprehensive knowledge of HIV/AIDS	38.8		48%			UDHS, 2016
3	Youth development	Ensure the full and effective participation of youth in the life of society and in decision-making processes							
4	Shelter	Increase access to affordable housing, land and housing-related infrastructure and basic services	Affordable housing						
5	Water and sanitation	Halve by 2015 the proportion of people without sustainable access to safe drinking water and basic sanitation	Safe water coverage (%) Rural	66					
			Safe water coverage (%) Urban	60					
			Household latrine coverage (%)	67.4			80		
			Households hand washing with soap (%)		24	20.8	38		
6	Gender equality and empowerment of women	Achieve equal access of women and girls to education, basic services, health care, economic opportunities, and decision-making at all levels	% of Women in accessing economic empowerment initiatives	12	22 (estimate figures from FOWODE a local NGO in Uganda)		30		
			Gender and equity budgeting						
7	Social protection	Enhance social protection systems to improve the resilience of all, including poor and disadvantaged groups	Roll out of the SAGE programme (districts)	14	35		55		
	Priority Area 6: Multiple crises and other emerging challenges								
1	Withstanding Economic Shocks	Build the resilience of LDCs to withstand economic shocks and to							

No.	KRA	Goals and Targets	Indicator (proxy indicators that relate to Uganda context in some cases	2010 /11 (baseline)	Mid Term (2015/16)	Status (2018/19)	Target for 2020 under NDP II	Istanbul target commentary
		mitigate their adverse effects						
2	Climate Change and biodiversity protection	Strengthen LDCs' ability to withstand and overcome the adverse effects of climate change, enhance sustainable growth and protect biodiversity						
3	Natural Hazards	Build the resilience of LDCs to withstand natural hazards in order to reduce the risk of disasters						
	Priority Area 7: Mobilizing financial resources for development and capacity-building							
1	Domestic resource mobilization	Enhance the mobilization of domestic resources, including by raising domestic savings, increasing tax revenue and strengthening institutional capacity	Saving as a % of GDP					
			Tax to GDP ratio					
			Domestic revenue					
		Reduce corruption and increase transparency at all levels	Corruption Perception Index (out of 10)	2.9	3.4		3.7	
2	Official development assistance	Ensure the fulfilment of all ODA commitments to LDCs Ensure the alignment of aid with LDCs' national priorities and increase the alignment of aid with LDCs national systems and procedures						
3	External debt	Achieve sustainable debt levels in Uganda Remain vigilant in monitoring the debt situation of LDCs and continue to take effective measures within the existing frameworks Provide specific debt relief measures for LDCs that are not HIPC						

No.	KRA	Goals and Targets	Indicator (proxy indicators that relate to Uganda context in some cases	2010 /11 (baseline)	Mid Term (2015/16)	Status (2018/19)	Target for 2020 under NDP II	Istanbul target commentary
		countries on a case-by-case basis						
4	Foreign direct investment	Attract and retain increased foreign direct investment Enhance initiatives to support investment in least developed countries						
5	Remittances	Reduce the transaction cost of remittance flows and foster the development impact of remittances						
	Priority Area 8: Good governance at all levels							
1		Strengthen good governance, the rule of law, human rights, gender equality and empowerment of women, and democratic participation, including by enhancing the role of parliaments						
2		Strengthen and effectively implement measures to prevent corruption and to increase transparency of budgets and expenditure						
3		Ensure that resources to LDCs are provided and used in a predictable, transparent and timely manner						
4		Build durable peace and ensure stability, security and sustainable and inclusive development in LDCs						