Ref. Ares(2015)1230580 - 20/03/2015

EU- JOINT PROGRAMMING in UGANDA

February 2015

EU-JOINT PROGRAMMING in UGANDA

The following Development Partners are part of the EU joint programming exercise in Uganda:

European Union
Austria
Belgium
Denmark
France
Germany
Ireland
Italy
The Netherlands
Sweden
United Kingdom
Norway (associated)

Table of Contents

Contents

Executive Summary

The European development partners present in Uganda - namely the Delegation of the European Union, Austria, Belgium, Denmark, France, Germany, Ireland, Italy, the Netherlands, Sweden, the United Kingdom and Norway (associated) - are committed to delivering better aid and development results through improved coordination and coherence of their cooperation strategies in the context of their aid-effectiveness commitments. This will enhance the EU's political leverage by providing a common policy platform.
Building on already established coordination, alignment and harmonization efforts at country level, EU joint programming should be seen as a process through which the EU and its Member states and possible non-EU donors, engage in various joint activities of different depths depending on the local context. These include joint analysis of and joint response to a partner country's national development strategy, identifying priority sectors of intervention, in-country division of labour, indicative financial allocations per sector and donor, and – ideally - synchronization of program cycles and possibly joint results framework.
The Joint Programming is based on values and principles shared by the European partners and the Government of Uganda to fighting poverty and support inclusive and sustainable growth, guided by principles such as the respect for human rights, democracy, gender equality, as well as non-discrimination, equality and accountability.

EU Heads of Mission in February 2014 agreed upon a Roadmap for joint programming in Uganda. The Government of Uganda (GoU) also expressed support for joint programming in alignment to the national planning cycle. The Roadmap sets out the steps that need to be taken in order to move towards joint programming by FY 2015/16.

By applying the roadmap, agreement was reached during the year 2014 on a joint analysis of Uganda's development plan and the key strategic sectors of intervention based on a review of the in-country division of labour. Indicative multiannual financial allocations have been established, while eight of the eleven EU DP's present in Uganda confirmed that their program cycle coincides with the calendar of the Uganda National Development Program or that they are prepared to do so with the necessary flexibility.

Based on the assessment of the question "is the current division of labour balanced" the document concludes that the present and continuously evolving division of labour constitutes a good basis for joint programming, when applying an approach that is pragmatic, flexible and adapted to the local settings.

Priority areas identified by the EU partners are:1)governance/accountability,2) economic development, 3) health and WASH and 4) JLOS.

Based on currently available data, an indicative amount of 2 billion € will be allocated by the EU partners to support the implementation of the NDP II.

There is a general agreement that EU Development Partners should engage to maintain their sector choices, at least during the period of the NDP II (July 2015- June 2019) and announce potential changes a long time in advance.

The EU DP's commit to implement actions together where relevant and pertinent, based on already well developed and functioning joint initiatives and partnerships, incl. sector wide approaches, co-financing, basket funding or delegated cooperation. This will enhance EU–leverage and provide as well support to the existing coordination mechanisms, including the newly established National Partnership Forum.

Indicative allocations during NDP II period

	2015	2016	2017	2018	2019	Million €
European Union	400 - 578					578
Austria	35					35
Belgium	64					64
Denmark	208.5					208.5
France	198					198
Germany	289.5					289.5
Ireland	15.55	to be determined				15.55
Italy	4.2					4.2
The Netherlands	69					69
Sweden	132					132
United Kingdom	363					363
Norway	51.2					51.2
					Total	**2008**

Indicative amounts by sector during NDP II period & number of EU DP's/sector

		Million €	%	Number of EU DP's: Focal sector	Number of EU DP's: Focal and non focal sector
Infrastructure (Roads, transport, water transport)		230	11.5%	1	2
Agriculture/Food Security		192	9.6%	2	5
Human Capital Development	Education	59	2.9%	3	3
	Health, incl. HIV/AIDS	156	7.8%	5	5
	Water and Sanitation	210	10.5%	4	4
Environment		36	1.8%	1	5
Justice, Law and Order		45	2.2%	4	6
Governance/Accountability (incl. Public Finance Management)		420	20.9%	6	8
Private Sector, Trade and Industry (Economic Development)		291	14.5%	6	8
Energy, Mineral, Oil and Gas Development		285	14.2%	3	5
Labour and Social Development (incl. Gender)		84	4.2%	3	5
Tourism		0	0.0%	0	0
	Total	2008			

Introduction

Improving the effectiveness of the aid that Development Partners provide to developing countries is an international concern. However, Development Partners tend to carry out the aspirations of the Paris Declaration in the planning and delivery of their aid *independently*. Where there is limited coordination and joint work between donors, a number of risks emerge, including: potential fragmentation of aid delivery, gaps and/or duplication in donors' work, failure to realize potential synergies and economies of scale that could be gained through coordinated action, higher administrative costs of planning and delivering stand-alone programs.

Joint programming, as defined by the EU, is a "joint cooperation response" by another name: it involves performing a shared analysis of the partner country's development and reform strategy, identifying priority sectors for intervention, arriving at an in-country division of labor between participating Development Partners and mentioning indicative financial allocations per sector and per Development Partners.

Such an approach makes any gaps and overlaps in Development Partners' combined work more transparent and facilitates the resolution of these through division of labor and joint initiatives. In case synchronization is achieved, it also provides the opportunity for the partner country government to guide all European Development Partners' work simultaneously, using the same planning cycle as that of the national strategy, and thus stands to significantly enhance ownership and alignment. In addition, the burden on the Government of having to negotiate different country programs with different European Development Partners at different times is greatly reduced.

In Uganda donors have at times worked very closely together in different sectors to coordinate activities and there are – including amongst EU member states – a lot of joint programs already, where the benefits of coordinated action are being realized. The EU has helped support this process, including through facilitating agreements between EU MSs to recognize the validity of one another's procedures and to therefore encourage joint programs and silent partnerships.

In chapter one of this document an overview will be provided of Uganda's development strategy, its macro-economic background and an assessment of the NDP by the EU Development Partners. Chapter two presents the joint donor response, while chapter three presents EU Joint Programming in Uganda in practice, followed by general conclusions in chapter four. Finally, chapter five describes the monitoring of the Joint Programming in Uganda.

I - Uganda's Development Strategy

1. Macro-economic background

Over the last years Uganda has experienced a strong macroeconomic recovery. Following the slowdown of the economy in Financial Year (FY) 2011/12, during which GDP growth declined to a historic low of 3.4%, Uganda is back to 5-6% and aiming to return gradually to its long-run average growth path of 7% per annum. Macroeconomic stability has greatly contributed to this recovery. Inflation was brought down to single digits following the inflationary surges in the aftermath of the 2010/11 presidential elections and has since then remained close to the Government's monetary policy target of 5%. The exchange rate of the Ugandan Shilling (UGX) vis-à-vis the main trading currency has also been much more stable than in the past. This is mainly due to continued robust foreign direct investment in the country, which has offset depreciating pressures stemming from declining aid inflows. On the other hand, growth of per capita income is at around 3% due to high population growth. Income inequality has worsened over the past two decades (Gini index has risen by 6 percentage points from 0.37 in 1992/93 to 0.43 in 2009/10).

The government is seeking to support the economic recovery with a focus on addressing infrastructure gaps viewed as a critical binding constraint to growth. A lot of progress has been made in spite of an uncertain global economic context. Uganda's power supply is considerably more reliable and has for the moment eliminated the need for expensive and inefficient load-shedding – though challenges will emerge in the next few years, not helped by slow progress on construction of key major dams. Several major roads have been completed and many others are being upgraded to bitumen standard. This has contributed to better connectivity within Uganda and to improved links regionally. However, not all infrastructure projects have been implemented as planned and many have suffered from significant delays. This has led to an important backlog in the implementation of the infrastructure investments, which will most likely lead to increased development expenditure by the government in coming years.

2. Vision and Planning Process of the Government

Long term planning is a key factor in propelling socioeconomic development and equitable distribution of wealth in all countries all over the world. It is also helping to guide Governments to strategically intervene through multiple approaches in order to foster growth.

In this regard, the Government of Uganda approved in 2007 the Comprehensive National Development Planning Framework (CNDPF) which provides a strategy for the development over 30 years through: three 10-year plans; six 5-year National Development Plans (NDPs); Sector Investment Plans (SIPs); Local Government Development Plans (LGDPs), Annual work plans and Budgets. Consequently, Cabinet approved the National Vision Statement, "A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country within 30 years" (Vision 2040) in2012.
This Vision 2040 articulates strategies and policy directions to achieve the stated objective of transforming the country into a competitive upper middle income country with an annual per capita income of USD 9,500. This requires average real GDP to grow at the rate of 8.2% per annum, translating into total GDP of about USD 580.5bn by 2040 from USD17bn in 2010. In this scenario, Uganda's population is projected to reach 61.3m from 32.9m in 2010.

Vision 2040 builds on previous efforts, lessons learnt and analysis of past development strategies, including Vision 2025 and Draft Vision 2035. It also incorporates emerging development prospects including the discovery of oil and gas reserves, green economy, demographic profile, E-revolution, globalization and regional economic integration among others, as well as associated challenges.

Uganda’s ambition is to graduate into a lower middle income country by 2017, progressing to an upper middle income category by 2032 and attaining its target of an average of USD9500/capita in 2040.

3. Uganda's National Development Plan

The **first 5-year National Development Plan (NDP I)** covered the fiscal period FY2010/11 to FY2014/15. It stipulates the Country’s medium term strategic direction, its development priorities and implementation strategies. In line with the National Vision Statement, the central theme of this NDP is ”Growth, Employment and Socio-Economic Transformation for Prosperity”.

Based on a country analysis (Part I) the NDP I provides strategic direction and orientation, as well as a macro-economic analyses (Part II). In summary, to achieve the central NDP-theme, eight strategic objectives are defined as priorities:

- Increase household incomes and promoting equity;
- Enhance the availability and quality of gainful employment;
- Improve stock and quality of economic infrastructure;
- Increase access to quality social services;
- Promote science, technology, innovation and ICT to enhance competitiveness;
- Enhance human capital development;
- Strengthen good governance, defence and security;
- Promote sustainable population growth and use of the environment and natural resources.

In relationship with and in order to achieve these objectives, the main principles of NDP-I are defined as (1) real and responsible ownership, (2) political will, (3) good governance, (4) resource availability, (5) a balanced development based on sectors with potential competitive advantage, (6) behaviour changes on citizen, public and private levels, (7) a direct linkage with national planning processes, (8) sustainable and equitable development and (9) effective implementation and evaluation mechanisms.

Based on this, sectorial analyses of 43 sectors are extensively developed similar to a logical-framework (Part III), outlining their background, objectives, strategies and interventions. This part is concluded with a summary of key sectorial programmes (on agriculture, energy and mineral development, works and transport, information and communication technology, trade and industry, education, health, water and environment, social development, accountability), which is the core of the NDP.

NDP I concludes with an implementation strategy for the priorities given (Part IV).

The **second National Development Plan, NDP II, covers the period FY 2015/16-2019/20** under the motto "Strengthening Uganda's Competitiveness for Wealth Creation, Employment and Inclusive Growth" towards a "transformed Ugandan Society from a peasant to a modern and prosperous country within 30 years".
NDP II is continuing the logic of NDP I, while building on lessons learnt and providing more focus with fewer priority areas.

NDP II therefore now prioritizes 5 development areas, which are considered to provide growth opportunities:
(1) agriculture,
(2) tourism,
(3) mineral, oil and gas development,
(4) infrastructure and
(5) human capital development.
In order to facilitate and boost Uganda's economic development, NDP II concentrates on infrastructure development, mainly transport – roads, water transport and the Standard Gauge Railway - and different sources of energy, mainly oil and gas including the construction of a refinery as well as an oil pipeline.
In the course of the discussions during the development of NDP II awareness was created that human capital is indeed a second pillar for sustainable development and was included with emphasis on education and skills development, health and reproductive health, water and sanitation and labour and social development.

Within the sectors priorities have been set as follows (selection):

Agriculture:
- Prioritizing specific commodities approaches
- Improving technical input areas, such as development of the seed industry, the use of fertilizers, increased mechanization through PPP arrangements, irrigation and livestock water infrastructure
- Providing agricultural technology and agribusiness advisory services
- Institutional reforms as operationalising the new MAAIF structure, reforming the agricultural training institutions and improving the availability of agriculture statistics.

Human Capital Development, relating to the following social sectors:

a. Education
- Enhancing the quality of primary education and strengthening local language instruction;
- Providing infrastructure (classrooms, latrines, administration blocks, etc);
- ensuring continuity in the education: pupils successfully completing Primary 7 should have more access to either academic secondary education or BTVET;
- Increasing the attractiveness of the teaching profession by creating a career ladder for teachers and improving the salaries scales;

- Strengthening the training for teachers and learning in teacher practice;
- Providing houses for teachers in rural areas;
- Improving the provision of instructional materials;
- Promoting private sector investment and public private partnership in education service delivery.

Including special attention to skills development:

- Keeping vocational training in line with the Skilling Uganda Strategy;
- Strengthening science and technology education by science laboratories, ICT rooms, and libraries to secondary schools;
- Increasing tertiary and higher education in order to ensure that Uganda meets its needs for high-level skilled work force.

b. **Health**:
- Provision of equitable, safe and sustainable health services;
- Increasing financial risk protection of households against impoverishment due to health expenditures;
- Strengthening inter-sectorial collaboration and partnerships;
- Enhancing health sector competitiveness in the region, including establishing Centers of excellence in heart, cancer, renal care domains and diagnostic services.

c. **Water and Sanitation**:
- Increased access to safe water: in rural areas from 65 percent to 79 percent by 2020 and in urban areas from 70 per cent to 95 per cent;
- Improved access to sanitation, from 69 per cent to 90 per cent in rural areas.

d. Labor and social development:
Concrete objectives are not yet identified but the initiatives are targeting the following areas: promotion of decent employment and labour productivity, enhancing community mobilization and empowerment, developing social protection services, promotion of youth employment and participation and promotion of gender equality and women's empowerment, and finally strengthening the institutional capacities of the concerned ministries.

NDP II also guides on development objectives in a number of other sectors and sub-sectors. An additional chapter focusses on governance, including justice, law and order (JLOS), public administration and public sector management, accountability, as well as environment and forestry management.
The significant role of non-state actors (including Development Partners) in the development of Uganda is recognised with the NDP II and a study on potential partnerships with non-state actors was added to the NDP II.

4. Assessment by the EU Development Partners

a. Performance of NDP I

Implementation and success of the NDP I show a mixed picture. Whereas a majority of the NDP I indicators confirm some progress made; the performance compared to the targets remains largely below expectation. The gap between the planning process and the obtained results is extremely important.
Mixed performance is seen especially in social sectors such as education, health and water and sanitation, with some worrying developments for example in literacy and numeracy rates. At the same time, road (kilometer of paved roads) and energy infrastructure development have seen a relatively good performance during the NDP I period.

Economic management:
During the first four years, the economy grew at an average of 5.2 percent, below the NDP annual average growth target of 7.7%. During the period of NDP implementation[1], Uganda experienced a challenging macroeconomic environment, including spill-over effects from the global economic crisis and a prolonged regional drought in 2011-2012 as well as macro-economic mismanagement during the election year 2011.
Subsequent measures to restore macroeconomic stability further affected economic growth potential. Poor domestic revenue mobilization and slow progress in the development of innovative financing instruments[2] also affected the fiscal envelope for implementation of the NDP, in part explaining the slow implementation of core NDP I projects. Binding constraints such as corruption and poor accountability continued during the NDP I period to hinder improved economic growth and development.

Socio-economic performance:
The proportion of the population living below the poverty line has fallen slightly from 24.5% in FY 2008/09 to 22.5% in FY 2012/13. While per capita income (at current prices) increased marginally from US$ 506 in FY 2008/09 to US$ 596 in FY 2012/13, it remained below the target of US$ 718. Uganda continued to make progress in alleviating poverty, however the poverty reduction rate has been slowing and income equity has not improved during the NDP I period. The progress in poverty alleviation on a national average masks the rising income inequality[3] and disparities between regions, with poverty remaining acute in the north and east of Uganda.
The negative dynamics of rapid population growth are starting to impair commendable gains in poverty reduction made over the last two decades[4]. Nationally, there are still 6.6 million citizens living in extreme poverty, and ordinary citizens remain vulnerable to fall back into the poverty trap due to

[1] In particular FY 2010/11 and 11/12.
[2] Attracting private sector finance an developing infrastructure bonds has amongst others been constrained by inadequacies in the legal framework, for example delays in adopting the PPP Bill.
[3] The Gini coefficient increased from 0.426 in FY 2009/10 to 0.431 in 2012/13.
[4] Uganda is one of the few countries to have halved extreme poverty before the 2015 MDG deadline, from 56% in 1992/1993 to 24.5 percent in 2009/10.

external shocks. Population dynamics add to the challenges in sustaining poverty reduction over the medium term.

During NDP I progress in socio-economic development, as measured by the UNDP's Human Development Index (HDI) has been limited, with most of the indicators remaining static. In the latest 2014 HDI report Uganda receives an absolute score of 0.484, below the Sub-Saharan average of 0.502. In relative terms the country now ranks at 164 out of 187 countries. This is significantly below the projected NDP targets.

Key challenges in implementation of NDP I:

Implementation of the 15 NDP I prioritized 'core' projects[5] has been slow and lagging behind, with several remaining work in progress by 2015. Limited financial resources as well as absorptive capacity within government are challenges as the NDP aimed to spur economic growth through scaling-up infrastructure investment spending. There is evidence of growing alignment of the Government's budget to NDP priority sectors in the latter years of the NDP I implementation, in particular energy and transport. However, there has not always been a clear linkage between NDP priorities and projects that appear in the Public Investment Plan. Legal (land rights), institutional and capacity constraints with regard to public investment management are likely to continue delaying implementation of flagship infrastructure projects, as experienced with Karuma hydro dam.

It also needs to be stressed that Government priorities are not always aligned to the planning documents and tend to become aligned rather to the NRM manifesto. This was recently - during the Budget Conference in 2014- mentioned by the Prime Minister when underlining the importance of the NRM manifesto.

The NDP-I Mid Term Review (MTR) listed a number of key challenges to be addressed to successfully implement the second NDP: (i) limited alignment of budget (MTEF) resources with NDP sector allocations; (ii) limited strategic focus and prioritization of the NDP I; (iii) inadequacies in the NDP I results framework (missing baselines and data for half the indicators, lack of SMART indicators); (iv) limited access to finance constrained by stagnant domestic revenue generation and declining donor support; (v) weak public sector management including corruption due to non-compliance with rules and regulations; (vi) procurement issues and land rights disputes; (vii) ineffective decentralisation including local government capacity and resource constraints[6] affecting service delivery; (viii) regional imbalances and inequity; (ix) limited involvement of development partners and non-state actors.

[5] This includes important energy and transport projects such as the construction of Karuma and Isimba hydrodams, the development of an oil refinery and pipeline, the rehabilitation of existing railway lines and construction of the standard gauge railway between Malaba and Kampala, development of Lake Victoria transport, and improving the Kampala transport infrastructure.

[6] Funds allocated to local governments have fallen over the NDP I period, mainly because of higher expenditure on national infrastructure projects. This despite an increasing number of districts and responsibilities for local governments.

Development Partnership and Institutional Framework:

Development assistance has declined in relative terms during the NDP I period, although in the short to medium term development financing will continue to play an important role[7] in financing Uganda's development ambitions. The NDP-I MTR highlights increasingly strained relations with (traditional) development partners in recent years over governance and corruption, 'culminating in the budget support suspension of 2012' and a decline in the use of country systems. There appears to be weakened donor co-ordination and harmonization in tandem with the decline in program-based approaches.

With regard to Government institutional relations, the NDP I MTR notes Uganda's development policy and strategic direction is fragmented, and lacks an institutional coordination framework. There is redundancy and fragmentation of planning roles between Office of the Prime Minister OPM), Ministry of Finance (MoFPED) and National Planning Authority (NPA). There is a need for capacity building of NPA staff to effectively coordinate the planning and implementation of the NDP. The Mid-Term review proposes to strengthen the NPA's autonomy by moving it to the Office of the President, directly under the supervision of the President and Senior Minister in charge of Planning and Economic Development. Further engagement with Parliament, civil society and media on the NDP should also be strengthened.

b. Analysis of NDP II and entry points for EU joint programming

The Delegation of the European Union, the EU Member States and Norway shared the following common remarks on the NDP II with the National Planning Authority during the preparation of NDP II.
The Government of Uganda was commended for the improved strategic focus and prioritization evident in the latest draft version of the Second National Development Plan. As a general point, the EU stresses the importance of allowing sufficient time for consultations across Ugandan society, to build a national consensus for the NDP. In particular, the following key issues were highlighted:

i) Population growth: NDP II takes account of the impact of Uganda's rapid population growth on economic growth, youth unemployment, and poverty reduction. As Uganda's demographic transition is likely to intensify during the NDP II period, a comprehensive policy framework and public policies aimed at reducing the current high fertility rate should be enhanced, given their impact on poverty reduction, income per capita, quality of social expenditure and overall development outcomes.

ii) Adequate investment towards social sectors and social protection: NDP II further prioritises strategic investments to tackle the current infrastructure deficit. While an improved quality and stock of physical capital will accelerate economic development, this should not come at the expense of public expenditure on social services. Identifying human capital development as a

[7] On-budget assistance still constitutes about 20% of the national government expenditure and 40% of the development budget.

priority tends to dilute the specificity of the individual social sectors – education, health, water, labor and social development. Relevant social indicators should be closely monitored, including measures of equity within measures of economic growth.

iii) Equitable growth and the role of agriculture: The latest Uganda National Household Survey reported an increased income inequity, despite further poverty reduction at national level. In particular northern and eastern Uganda register high and even increased poverty levels. We welcome the positive approach towards agriculture in the NDP II, which **-** employing 66% of the labor force and rightly recognized as a growth opportunity - could play an instrumental role in ensuring sustainable and equitable growth. As priority sectors, the necessity of adequate investment and budgetary allocations towards agriculture and social services (including social protection) should be highlighted.

iv) Macroeconomic Strategy and Financing: The macroeconomic outlook and financing strategy in general is still premised on overly optimistic assumptions[8]. There are inconsistencies, at times significant, between the Plan and the macroeconomic policies Government of Uganda committed to under the IMF Policy Support Instrument. One of the findings from the NDP I was that optimistic growth projections from the start affected the envisaged resource envelope to achieve Government ambitions. A more detailed strategy on domestic revenue mobilisation, public investment and debt management is required as much as more adequate budgetary provisions for maintenance and recurrent costs necessary to sustain public investments in all sectors.

v) Governance / Corruption: There should be greater emphasis given to the debilitating impact of poor governance and corruption on the aims and approaches of the NDP II. The importance of political will, to ensure that the relatively sound institutional and legal framework is enforced, should be underlined. Issues of continuing impunity need to be addressed head-on, encompassing both administrative and criminal sanctions for technical officers and political representatives alike. This demands a joined-up approach across organs of public administration, accountability/oversight and the justice and law & order sector. We recommend that issues of good governance are given their own section within the NDP II, as well as being mainstreamed into other sections. It should also be clarified on what basis the accountability sector has been defined, as an overly narrow scope could compromise effectiveness. The fight against corruption is particularly important with regard to the reduction of poverty and inequality, and given the huge sums lost, needs to be factored into projected social and economic outcomes. Corruption impacts the poorest sections of society disproportionately, and generally benefits those already in positions of relative comfort and authority. It is consequently a huge transfer of wealth from the poorest to the richest, undermining development goals at every level.
Without reducing corruption and improving accountability, all other development goals could be severely compromised, including the economic growth and infrastructure aspects of the NDP. Corruption and mismanagement are the foremost impediments to foreign investment and private sector growth in

[8] E.g. average growth projected at 7.5% per annum, compared to IMF PSI projections of 6.7%.

Uganda, as well as critically undermining the public sector investment that enables private sector development in the first place. Sufficient investment – of both a financial and political nature - should not be restricted to just the formal accountability institutions. The economic impact – as well as potential threats – of poor accountability also needs to be factored into economic projections and targets.

vi) Human Rights/Democracy: Issues of human rights receive little attention in the document, and in general the 'micro' perspective of individual rights is overlooked in favor of 'macro' economic deliverables. A rights based approach would allow for more 'bottom up' planning, and facilitate measurement of real improvements in living standards for ordinary Ugandans.
Similarly, improvements in democratic accountability – at a national and local level – would be important to ensure support for development initiatives from ordinary Ugandans. A program which may deliver long term benefits, but could be seen as de-prioritising short term social needs, needs to be widely understood and legitimised. Electoral reform in particular could play an important part in building support for national programs, and legitimising the leadership of national and local representatives.
Lessons learned from NDP I include the need to improve on the extent and depth of consultations with civil society and the wider non-state sector. We welcome the current efforts to widen consultation - such involvement is essential to ensuring that needs and priorities are correctly identified, and for reaching a national consensus. Similarly, continuing coordination with the non-state sector will be essential to measuring progress across the different priority areas.

II JOINT DONOR RESPONSE

1. The ambition and value added of joint programming

Joint programming aims to coordinate Development Partners in-country work under a common framework of support, with each specializing in their particular strengths. This has the potential to decrease the fragmentation of aid and increase ownership, alignment, and harmonization while also raising the profile of the EU's work and allowing European Development Partners to speak with one voice. Ideally the synchronization of Development Partners' programming cycles is part of this process. Various EU commitments on joint programming have been made over the past decade but to convert these commitments into real synchronization on the ground is a difficult and long process. While all EU Development Partners state their support for the principles of joint programming, they also highlight series of barriers to implementing it in practice, including internal rules and regulations, the need for bilateral control over aid, the need of visibility, foreign policy concerns, increasing pressure to demonstrate impact and value for money, and a lack of local leadership and ownership on the ground.

2. Roadmap for Joint Programming in Uganda

EU Heads of Mission agreed that a good basis for joint programming exists in the Ugandan context (joint analysis, identification of priority sectors and fruitful discussions on division of labor). A Roadmap was agreed upon in February 2014. The Government of Uganda (GoU) also expressed support for joint programming in alignment to the national planning cycle.
The Roadmap sets out the steps that need to be taken in order to move towards joint programming by FY 2015/16:

- Agreement of a joint analysis of Uganda's development plan and situation.
- Agreement of identification of key strategic sectors of intervention.
- Continued review of in-country division of labor in due coordination with the larger DP group.
- Indicative multiannual financial allocations per sector and Development Partners.
- Full or partial synchronization of the European Development Partners' programming cycles to the national/regional cycles of Uganda.

The roadmap also includes an intention that support to Uganda within the planned sectors will be maintained as much as possible for the duration of the joint programming initiative, to ensure as much predictability and continuity as is possible.

While there is broad support from EU Member States for Joint Programming, including in terms of seeking to synchronize planning cycles, agree on joint strategy papers, and establishing a division of labor and indicative financial allocations, there remain some challenges. The key rests with the pace of joint programming, how far do we go and when.

3. Overall approach of the EU development response

The different steps indicated by the Roadmap to move towards Joint Programming are well progressing. The joint analysis of the NDP is presented in chapter I.4b and commented in particular on the importance of the following issues:1) population growth, 2)adequate investment towards social sectors and social protection, 3)equitable growth and the role of agriculture, 4)macroeconomic strategy and financing, 5) governance & corruption and 6) human rights and democracy.
Above issues are well represented in the strategic sectors of intervention of the EU DP's. Table 1 (page19) shows the current/foreseen priority sectors and the corresponding multi annual financial allocations of the EU partners.
Efforts are as well ongoing for review and monitoring of the in-country division of labor in due coordination with the larger DP group as described in chapters III and IV.
The overview of the different program cycles has been updated (Table 2) and more clarity has been obtained on possibilities and willingness for synchronization (chapter III).

4. Division of labour and available resources

Taking into consideration the increased consciousness on harmonization, the EU Development Partners in Kampala started an inventory of their involvement in sectors in June 2013. The objectives of this exercise were (1) to have an overview of the fields of cooperation of each DP, (2) an attempt of listing potential "aid orphans" and to detect sectors where too many DPs are occupying the playing field. This process intended to lead in a later phase to (3) analyze and evaluate all Development Partners' complementarity with a possibility of reorienting some choices on voluntary basis, if needed.

Within the ongoing Joint Programming exercise, an update of this inventory was undertaken in October 2014, based on the NDPII sectorial classification. These sectorial priorities are:

- Infrastructure (roads, water transport, rail) towards regional integration
- Agricultural and food security
- Human capital development:
    - Education
    - Health, including HIV/Aids
    - Water and sanitation
- Environment and adaptation to climate change
- Justice, law and order
- Governance and accountability (Public Finance Management included)
- Economic development (private sector, trade and industry)
- Energy, mineral, oil and gas development
- Labor and social development, including gender
- Tourism

The outcomes of this inventory exercise and "de facto" division of labor (including available resources) are brought together in table 1 (page 19).

Decisions on sectorial prioritization were in most cases independently taken by the member states, in general after consultation with their partner countries.

The table shows that there is no sector without coverage with the exception of tourism. The high level of prioritization of Governance and Accountability (8 partners) is due to the importance that all partners attach to good governance as a cross-cutting issue.

Compared to the situation in 2013 the following evolution may now be observed:

- A trend towards an increased adherence to the intention of focusing ODA presence in fewer sectors:

    ✓ The reduction with almost 20% of the EU presence in the sectors under consideration: total number of focal sectors reduced from 42 to 35.

    ✓ In 2013 two EU partners intervened in less than two sectors, two in three sectors and seven in more than three sectors. In October 2014 there is a considerable change: four EU partners intervened in less than three sectors, four in three sectors and four in more than three sectors.

- Overall interest in specific sectors has not changed significantly. Preference in order of importance (number of DP's/sector) is still: governance, economic development, health JLOS and water.

Table 1: UGANDA DIVISION OF LABOUR EU + Member States

indicative amounts in EURO

Situation November 2014

Sector	Austria	Belgium	Denmark	EU (11th EDF)	France	Germany	Ireland	Italy	Netherlands	Norway	Sweden	United Kingdom	Total number of Dp's by sector Oct. 2014	Total number of Dp's by sector June 2013
Infrastructure (Roads, transport, water transport, SGR)				150-230									1	1
Agriculture/Food Security				100-130		3.5			51		8		2+	4
Human Capital Development – Education		30					4.5				24		3	2
Human Capital Development – Health, incl. HIV/AIDS		20					1.7	4.2			40	90	5	6
Human Capital Development – Water and Sanitation	tbd		2013-2018:60.5 2018-2022:60.5		50	67							4	5
Environment		3			17.7	15.5							1++	4
Justice, Law and Order	tbd						2.4		18		8		4	3
Governance/Accountability (incl. Public Finance Management)	DGF		2011-2018:56.5 2018-2022:60.5	100-168		33.2	3.25			7.9	20	66	6	6
Private Sector, Trade and Industry (Economic Development)			2014-2019:67 2019-2022:74		15-20	37.3	1			5	20	138	6	6
Energy, Mineral, Oil and Gas Development					110	133 (80 loans)				38.3			3	4
Labour and Social Development (incl. Gender)					0.3		2.7				12	69	3+	1
Tourism													0	0
Total number of sectors in October 2014	2	2	3	3	4	3	6	2	2	3	5	4	35 + Norway	
comments:	in past: 10/y	11 M other exp		50 M other exp			interim progr							
Amounts (periode concerned)	35	FY 2012-2015		2015-2020	ref period	2015-2020	2015	2015-2017	2015-2017	2015-2017	2014-2018	FY2015-2017		
	2015-2020	ref period similar					new prog TBD				educ=ref period			
Total number of sectors in June 2013	2	4	4	7	4	3	5	1	3	na	4	5		42

5. The program cycles

The synchronization of Development Partners' program cycles is one of the steps towards achieving joint programming. For that reason, the June 2013 questionnaire also collected information about the actual "calendars" used by the EU-partners. The update of the information in November 2014 is presented in table 2 (page 20).

The calendars cover different periods, which are explained by several factors:

- The duration of the programming cycle varies from country to country (from 4 to 7 years) and usually differs from the five-year cycle of the Ugandan NDP
- NDP uses fiscal years, most European development partners use calendar years
- France has no programming cycle, but signs agreements on a project-by-project basis
- Some Member States have a uniform programming cycle for all partner countries; joint programming could imply that this principle should be reviewed.

It appears thus that matching calendars is a complex matter. It demands that partners change their actual procedures in a flexible way.

Table 2: Programming Cycles of EU Development Partners in Uganda

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Remarks
Uganda NDP (FY)			NDP I					NDP II						
Austria														current situation, synchronisation planned
Belgium (FY)														current situation, synchronisation planned
Denmark														Water 2013-2018; Agriculture 2014-2018; Governance 2011-2016 (bridging 2016-2018); HIV/aids 2010-2015
EU														11th EDF
France														No programming cycle
Germany														three year cycle
Ireland								INTERIM						2015 interim progr, full progr 2016-2020
Italy														
Netherlands														current situation, flexible for synchronisation
Norway														
Sweden														new strategy
U.K. (UK FY)														current cycle

FY= mentioned year from July 1th until June 30th of the following year ; UK FY is from April 1th

III - EU-JOINT PROGRAMMING IN UGANDA IN PRACTICE

EU Joint Programming in practice is presented by answering the following three questions:

- Is the current Division of Labor balanced?
- What is the EU DP's position on synchronization of program cycles?
- What is the overall context of the DP's Community?

Is the current Division of Labor balanced?

The EU DP's agreed on the following criteria to assess the current Division of Labor:

1. Alignment with the National Development Plan (NDPII) of the Ugandan Government
2. Absence of gaps and exaggerated overlaps in the sectorial division in due consideration of the complementarity with all Development Partners
3. Focus on areas where added value can be provided; quality of the aid
4. The existence of joint analysis, joint initiatives and economies of scale and the possible role of the Development Partners in priority focal sectors
5. Coherence with the core values and priorities of the European Union
6. The position of the Government on Donor Division of Labor

1. Alignment with the National Development Plan II of the Ugandan Government

Priorities of the NDP II: 1) agriculture, 2) tourism, 3) energy, mineral, oil and gas development, 4) infrastructure, 5) human capital;

Priorities for EU partners (see table 1): 1) governance/accountability, 2) economic development, 3) health, WASH, 4) JLOS.

It would thus appear that the sectorial priorities of the EU Development Partners differ in a fairly high degree from NDP II priorities. Although there is no recent overall DP mapping available, some of the major other DP's in Uganda (World Bank, African Development Bank, USA, China,…) are certainly present in the different NDP priority sectors. It thus appears that the majority of the NDP priority sectors are covered by the Development Partners present in Uganda.

The increasingly important role of the private sector as the motor for economic development is recognized by both government and DPs. In this context choices have to be made on financing modalities (loans, grants, blending…) for different sectors. A more coherent approach and more cooperation should be considered by the EU providers of loan monies (like – for example – through the Mutual Reliance Initiative of EIB, KfW and AFD which aims at harmonizing procedures and reduce transactions costs for all partners).

A different emphasis on the social sectors by government and Development Partners seems the result of a difference in vision: the government strongly believes in the trickle-down effect of economic development.

2. *Absence of gaps and exaggerated overlaps in the sectorial division among EU DPs*

The tourism sector is not covered by EU DP's, while two are present in infrastructure, an important priority for the government. The latter can be explained by the fact that infrastructure projects are large and complex and need special financial packages (e.g. blending of loans and grants). Consequently they are more the domain of Development Partners such as the European Commission and the development banks (WB and ADB).

Only three EU Development Partners support agriculture and food security, which seems few, but four other partners note it as "focal theme", without funding important programs. This may be related on the one hand with hesitations concerning the weak performance of the Ministry of Agriculture, and on the other hand with the increasing recognition of the importance of the private sector and the resulting attention for the support of agri-financing and value chains.
Environment is only indicated by FR as a specific priority sector, but it is for almost everyone a transversal theme.
Support for the social sectors is changing: support for education is decreasing while support for health and WASH has increased.
At the other end of the spectrum, six Development Partners mention "governance and accountability "as a focal program sector. The EU Development Partners attach great importance to this theme; Member States who do not mention it as a priority sector consider it all as a cross-cutting issue. Equally most Member States and EU Commission indicate this sector because they are founding (and funding) members of DGF.
The strong support to the "private sector" is not surprising: all those who in one way or another support the private sector as a development actor, indicate this as a priority; however, the initiatives are very heterogeneous.

3. *Focus on sectors where added value can be provided; quality of the aid*

EU DPs will orient their activities towards sectors that they consider important and where they are strong. The choice of social sectors as well as Governance/Accountability therefore reflects the importance of these sectors to European Development Partners and their perceived added value based on their own experience.

On added value, the EU Commission has a long experience in infrastructure development, agriculture and food security and of course the monitoring of the underlying principles of the Cotonou Agreement. Norway focuses on the energy and minerals sector (oil) because they have experience in that area and no doubt have added value. This also applies to the Netherlands on food security. Regarding the latter, Austria has a lot of experience and is a lead donor in the water sector and has a focus on water supply to small towns and rural growth centers. France puts great emphasis on language and cultural issues related to social development. Denmark is to be mentioned on development of the justice sector and on good governance, etc.
One of the underlying reasons for this specialization is the great importance attached to the quality of aid by the European Development Partners. Quality can be delivered where you are strong.

4. *The existence of joint analysis, joint initiatives and economies of scale and the possible role of the development partners in priority focal sectors*

Joint analysis already takes place in several DP working groups and in this context several specific tools are being used like the rolling core script, electoral monitoring and the risk management framework.
Partnerships can be done through joint initiatives and through delegated cooperation. In recent years significant progress has been made in both areas. Besides the already mentioned DGF there is for example a Joint Water and Environment Sector Support Programme by some DPs together with MoWE in the Water sector, the cooperation in the justice sector through JLOS and cooperation in Northern Uganda (PRDP). SE, UK and BE are preparing joint support to system strengthening in the health sector. We should also refer to the cooperation on HIV / AIDS, to the extent that an individual donor group next to Health was even founded. New initiatives include the planned cooperation on vocational training in the education sector (with Belgium and Ireland*).*

With delegated cooperation, member states transfer their funds and responsibilities to EU Commission or other member states or vice versa to act as implementing agency. This decreases transaction costs and reduces the appeal on partner organizations, thanks to the centralized monitoring and evaluation. Recent examples include the contributions from Belgium to Denmark (climate change), EU to Austria in the water sector. The GET FiT programme is not only an excellent example for delegated cooperation (though KfW for UK, Norway, the EU and Germany), but also for mobilizing private investments with ODA, leveraging 450 million EUR private investments with 92 million EUR grant funds. Also basket funding in the water sector (Austria, Germany, and Denmark) and the PFM basket funding FINMAP (EU, Germany, Ireland, Sweden, UK, Denmark, Norway) are good examples of joint programming and funding.

Almost all Development Partners confirm in the questionnaire that they want to play – at least – a lead/active role in the sectors of their priority. Detailed answers on the question "how would you describe your possible role in your focal/priority sectors" are presented in table 3 on the next page.

Table 3	**POSSIBLE ROLE IN FOCAL/PRIORITY SECTOR**
Austria	Water and Sanitation – Lead donor, very active donor, chair on rotational basis . JLOS – very active donor, participant in several sub-sector Working Groups
Belgium	BE aid concentrated on only 2 sectors: leading role in both : Health (2016) and education (2012)
Denmark	Active lead in the DPG Agriculture but handing over the torch by end 2014. Lead in the multi donor funded Agribusiness Initiative (aBi). Current chair and permanent legal entity of the multi-donor Democratic Governance Facility.
EU (11th EDF)	Infrastructure: leader; Agriculture: leader and/or active ; Governance: leader and/or active ; JLOS: linked to Governance; Environment: active; Private sector/trade/industry: active; Energy: active
France	France is willing to be (one of) the leader(s) in the environment sector, France will chair the Environment WG in 2015-2016.
Germany	Lead in Energy and Water; Active in Economic Development; Silent in Governance, Environment and Agriculture (however, may change)
Ireland	In principle lead or active in sectors: education, HIV, JLOS, Governance, Econ Development and Gender
Italy	Health: active role
Netherlands	JLOS: one of the leaders; Food security: active, with fast growing role for agriculture
Norway	"active" in all our 3 main sectors (1) Energy, Mineral, Oil and Gas Development, 2) Governance/Accountability Private Sector, and 3) Trade and Industry – Economic Development.
Sweden	Hesitate to be lead donor as the long list of responsibilities is impossible to live up to. If we could agree, SE could take on gender.
United Kingdom	Health – active Labour and social development – lead until recently – happy to lead in future Private sector – active, willing to lead in future (at next rotation) Governance/accountability – lead (Chair of AWG)

5. Coherence with the core values and priorities of the European Union

The Cotonou Partnership Agreement (June 2000) mentions the underlying values guiding the cooperation between the ACP countries and the European Union and its Member States. The "main pillar" is Sustainable Development centered on the human person and the contribution to Poverty Reduction. Article 9 describes the three essential elements: human rights and human dignity; the democratic principles; the rule of law. In addition, good governance defined as the transparent and accountable management of human, natural, economic and financial resources. These values should not only be implemented but also be promoted by the signing partners. The EU Communication (February 2013) "A decent life for all: ending poverty and giving the world a sustainable future" proposes principles for an overarching framework for post-2015 which provides a coherent and comprehensive response to the universal challenges of poverty eradication and sustainable development.

The underlying values are generally well covered by activities and support for governance/accountability: the focal sector for six EU partners and seen as crosscutting by most of the others. The sectorial choices reflect the importance attached by the EU development actors to the values of human rights, the democratic principles and the rule of law. Many Member States associate civil society and the private sector to implement their programs and increase their efforts to integrate gender issues into their activities.

Equally, the principles of the Council Conclusions on "A decent life for all" are well reflected in the programmes of the different EU partners.

Joint Programming by EU partners in Uganda will certainly continue to contribute to the realization of the underlying values and shared priorities.

6*. Position of the Government on Donor Division of Labor*

The headlines of the Joint Programming exercise have been presented to the Permanent Secretary and directors of the Ministry of Finance, Planning and Economic Development (MoFPED). The dialogue focused in particular on the tables related to division of labor. MoFPED showed much interest and appreciation for the EU initiative to provide an overview of current and coming programs and considered it as a further step towards coordinated development inputs. MoFPED indicated that the overview for a total of 2 billion euro was balanced and that the sector choices take well into account the comparative advantages of the EU delegation and the individual member states . However, a further breakdown of the data by aid modality (budget support, loans, earmarked projects etc) was suggested. It was also observed that the number of partners involved in the two major priorities of the NDP (Infrastructure and Agriculture) was rather limited but that the support concerned substantial amounts. It was suggested that the exercise would be extended to all DP's and that MoFPED would take the lead on this.

What is the EU DP's position on synchronization of program cycles?

Synchronisation means that Development Partners plan their aid at the same time as the national development plan is being developed and for the same period as that plan. This allows DPs to better support the national plan, the objectives and expected results specified in these, and to have more influence in the policy dialogue involved in its development, as a direct link can be made between policies, expected results and DPs future support to them.

Table 2 shows that the EU development partners have quite different programming cycles which do not necessarily allow for short term readjustments.

On synchronization the EU development partners were asked their position in relation to the following options:

1. *Programme your aid for the same period as the national development plan;*
2. *Extend or shorten your current planning cycles so that you finish at the same time as the current national plan, allowing you to align from that point on;*
3. *Undertake a mid-term review to coincide with the start of the next national development plan, allowing you to re-align your support at this point as necessary.*
4. *Where your financing cycle is fixed, you can still synchronise by separating your planning cycle from your financing cycle, making a commitment on which sectors you will work in for the whole period of the national plan even though you are unable confirm the total financing for them at the start of the period. In such cases it can be useful to provide average annual indications of financing per sector and subsequently update these every year.*
5. *Other, please explain*

The answers concerned mainly options 1 and 5:

Option 1: Development partners confirm that their program cycle already coincides with the NDP calendar (Austria, European Commission, Ireland, Sweden) or that they are prepared to do so with the necessary flexibility (France, Belgium, Netherlands, Germany) and

Option 5: various reasons were given for finding it hard to commit to aligning behind the same period as the NDP, including standardised planning processes for all country offices, political cycles in home countries, domestic financial legislation etc.. Countries that said they would not be able to make such a commitment include Denmark, Italy, Norway, UK-DFID.

Table 4 **EU DP's position on synchronization**

Austria	In principle, Austria agrees to Programme its aid for the same period as the national development plan; if your financing cycle is fixed, Austria agrees that you can still synchronise by separating your planning cycle from your financing cycle.
Belgium	Actually, cycle is not synchronised. Extension (not shortening!) of current planning cycle is possible, so that we finish at the same time as the NDP, allowing to align from that point on.
Denmark	DKs programming cycle in Uganda (next 5y phase 2018-2022) is given by the stipulations of the DK Finance Act.
EU (11th EDF)	EU COM's aid is planned for the same period as the national development plan;
France	No programming cycle for FR in Uganda. However, FR will take into consideration the process of synchronisation with the NDP II, in order to align as far as possible its interventions.
Germany	Three year programming cycle, but possibility to adapt
Ireland	program cycle largely coinciding with NDPII but following the calendar year, while NDP II will follow the FY.
Italy	next programming cycle in Uganda is foreseen for the period 2015-2017, we are tied to the National Finance Plan.
Netherlands	we are able to re-program and adjust our current planning period. HQ is flexible for JP
Norway	Norway will not synchronise
Sweden	program cycle largely coinciding with NDPII but following the calendar year, while NDP II will follow the FY.
United Kingdom	wide planning process which is initiated for all offices at the same time and concludes at the same time.We can give forward indications of sectors we will work in and financing

Agreement was reached on the following three key issues:

1. The basis of joint programming is the National Development Plan and the accompanying analysis of the EU partners.
2. EU Development Partners should engage to maintain their sector choices, at least during the period of the NDP II (July 2015- June 2019) and announce potential changes a long time in advance.
3. EU Development Partners should give an indication of the (foreseen) contributions to each sector, for the mentioned reference period. This is important for MTEF planning by the partner country.

What is the overall context of the DP's Community?

In order to promote effective development cooperation, the Government has adopted the Uganda Partnership Policy (2013), which sets out the guiding principles and priorities for the Government's management of the relationship with its Development Partners and the external assistance provided within the context of the NDPs.

Bilateral and multilateral DPs, including EUD and MS, are members of the Local Development Partners Group (LDPG). The LDPG is undertaking a reform process, with the aim to establish the LDPG as the apex coordination forum for Development Partners in Uganda, which coordinates Development Partners' engagement with the Government on overall issues related to development cooperation, and oversees the work of thematic/sectoral Development Partners' Groups (DPGs).

The objective of the LDPG is to increase the effectiveness of development assistance in support of the national goals and systems of the Government of Uganda. This will be done by:

- Harmonizing dialogue at the policy, program and project levels;

- Coordinate Development Partners' joint dialogue with Government;

- Improving linkages to key budget and planning processes and the use of national systems for programming, financing and review;

- Facilitating the use of joint reviews, joint analytic work and other harmonization initiatives.

The First National Partnership Forum was held on the 9th December 2014 and it is expected that the policy dialogue between the LDPG and GoU will evolve and deepen over time. EU Development Partners have an important role to play in this regard.

IV - General conclusion on EU division of labor and Joint Programming in Uganda

EU DPs in Uganda are of the opinion that the present and continuously evolving division of labor constitutes a good basis for joint programming. This is reflected in the conclusions concerning the six criteria to assess the current division of labor:

1. EU Development Partners agree that the NDP II should be the basis for the dialogue on poverty reduction with the Government and that all consider NDP II as the reference for their cooperation.
   At first sight there is no perfect alignment by EU partners on all priority sectors of the NDP II but at the same time it appears that the majority of the NDP priority sectors are mostly covered by all Development Partners present in Uganda.
2. There are no unexplained gaps or overlaps; EU division of labor is satisfactory on basis of this criterion. Further analysis should be carried out as well within the overall context of the LDPG as part of the initiated Partnership Dialogue.

3. Quality of Aid. EU DPs will orient their activities towards sectors that they consider important and where they are strong. The choice of sectors reflects the importance of these sectors to European Development Partners where they can have an added value.

4. Steady progress has been made in the areas of joint analysis and joint sector planning, partnership development and in certain cases joint implementation. The EU development partners show a general willingness to play an active role in their priority sectors.

5. The EU partners are natural in line with the core EU values and priorities in their support for the NDP II.

6. The Government (MoFPED) considers the division of labor between the EU-DP's as sufficiently balanced and suggests that it will take the lead to expand the exercise to all DPs present in Uganda.

Special points of attention:

- Donor presence in the agriculture and food security sector, as well as JLOS.
- In the education sector (a crucial social sector for the future development of the country) more EU resources are desirable.
- The engagement in JLOS as a crucial sector to support Rule of Law and accountability in Uganda needs further attention by EU Development Partners.

V - Monitoring

Monitoring will be based on the (half) yearly evaluation of developments related to the three earlier mentioned questions:

➢ Is the current Division of Labor balanced?

1. Alignment with the National Development Plan (NDPII) of the Ugandan Government
2. Absence of gaps and exaggerated overlaps in the sectorial division
3. Focus on areas where added value can be provided; quality of the aid
4. The existence of joint initiatives and economies of scale and the possible role of the Development Partners in priority focal sectors
5. Coherence with the core values and priorities of the European Union
6. The position of the Government on Donor Division of Labor

➢ What is the EU DP's position on synchronization of program cycles?

➢ What is the overall context of the DP's Community?

Different instruments and/or tools will be used to monitor the further development of division of labor and Joint Programming in Uganda:

✓ Well developed and functioning joint initiatives and partnerships, LDPG and joint working groups:

DGF, JLOS, FINMAP/PFM, health sector, water sector, vocational training, energy sector, Northern Uganda; Karamoja, National Partnership Forum, GAPR, HIV/AIDS …

- ✓ Specific tools used in Uganda by EU partners:

  Rolling core script, risk management framework, electoral monitoring,……

- ✓ General tools:

  Transparency International, Mo Ibrahim index, the Open Budget Index, Doing Business, Democracy index, Press Freedom index, Human Development index, indicators on aid effectiveness etc …..

Annex 1: The EU development response

EDF (European Development Fund)

http://www.eeas.europa.eu/delegations/uganda/

The implementation strategy of the EDF is defined in the National Indicative Program (NIP), as approved by the European Development Fund Committee in July 2014. Sustainable development in a context of high demographic growth and competition for access to natural resources is a crucial issue. As Uganda is landlocked, it is very dependent on road, rail and waterways infrastructures for its economic development, but also for better access to social infrastructures and to the markets. Food security and development of agricultural production remain high and specific concerns, in particular in the fragile regions of the North and Karamoja. Continuing concerns over the maintenance of democratic space and the respect of fundamental human rights are also orienting the cooperation priorities. Gender equality and women's empowerment will remain a central focus of the EU-activities in Uganda.

Choice of sectors

The focal sectors addressed by the NIP were identified in complementarity with the Regional Indicative Programme (RIP) for Eastern Africa, Southern Africa and the Indian Ocean (EA- SA-IO). The main objective of this Programme is to support peace and stability, trade and regional economic integration. Wherever possible, the implementation of regional activities will be integrated into national programmes. This is particularly relevant for infrastructure, trade and regional economic integration endeavours.

Sector 1: Transport Infrastructures

Infrastructure development is the first priority of the Uganda National Development Plan (NDP) and of "Uganda Vision 2040". The Government identifies transport sector infrastructure, namely roads, railway, water and air transport, as the key elements, together with access to energy sources, in the strategy to facilitate economic growth and access to Government services. Priority is also given to ferry transport across the lakes and rivers, in line with PIDA, the Pan-African infrastructure development plan.

Sector 2: Food Security and Agriculture

Agriculture plays a central role to the Ugandan economy and in the country's development and poverty reduction. The vast majority of Ugandans depend on agriculture for their employment (65%, Uganda Bureau of Statistics (UBOS) 2010), their food security and income. Agriculture exploitations are small and unproductive; smallholder producers account for 96% of all farms in Uganda. Despite a significant decline, poverty remains high particularly in rural areas (27%, UBOS 2010) compared to urban areas (9.1%). The national average hides profound disparities between regions, with Northern Uganda at 46% poverty rate, and regions like Karamoja at 75.8%.

Most of future growth in agriculture will have to come from productivity gains and increased value addition.

Sector 3: Good Governance

Good Governance comprises a solid institutional and regulatory framework as regards to political stability, democracy, human rights, rule of law, access to justice, and space for civil society and independent media. Nevertheless, there is a significant implementation gap and the practical realities in some areas are far from satisfactory. A reform agenda for public finance management and improved financial accountability has been pursued over the last years with some significant results, but is still far from being completed.
Civil society faces major challenges in safeguarding its space to operate. The justice system has very limited capacity, and is subject to political interference, leading to very limited results in terms of bringing justice to both victim and perpetrator. Underlying corruption trends in Uganda have been worsening over recent years. The overall objective for the focal area of Good Governance is to improve public accountability of state functions so that all Ugandans know, understand and are able to claim the rights and services to which they are entitled.

The global amount of Uganda to the NIP is 578 M €. Allocations to the three focal sectors are agreed as indicative ranges. A limited number of sector performance indicators will be used to confirm the final allocations. The Government of Uganda and the EU Delegation will agree during the first year of implementation of this MIP on a baseline and concrete targets for these sector indicators, and a procedure for the assessment and joint review of progress. This approach reflects the EU Foreign Affairs Council conclusions of May 2014 which promotes the use of strengthened results-based frameworks at country level as a means to improve mutual accountability, peer learning and transparency, in line with the Busan aid effectiveness principles. The assessment point will be situated in the transition period between the current and the next NDP.

Member States present in Uganda

AUSTRIA www.entwicklung.at

Austria supports Uganda since 1991. The overall goal is to contribute to sustainable poverty reduction and to the Millennium Development Goals through improved water and sanitation service delivery and improved access to justice as well as to the reconstruction of conflict-affected areas in Northern Uganda.

Austria provides its support through sector-wide approaches (including sector budget support) and other programme based assistance, while continuing project aid with non-state actors to ensure a mix of aid modalities. Under the division of labour, Austria withdrew from other sectors and remains its focus on two sectors:

1. **Water and Sanitation**, with a focus on rural areas, water resource management and sanitation. Austria contributes to the Joint Water and Environment Sector Support Programme and is among the lead Development Partners in this sector.

2. Rights, Justice and Peace includes support to the Ugandan Justice, Law and Order Sector (JLOS), the Democratic Governance Facility (DGF)9 with a focus on access to justice. This includes legal aid, mainstreaming of gender and human rights standards and promotion of alternative conflict resolution and transitional justice.

This programme is complemented by non-programmable support through NGOs, direct cooperation with Ugandan NGOs or via Austrian organisations, Technical Assistance, multilateral project funding, humanitarian aid, University cooperation and scholarships, business partnerships to support cooperation between Austrian and Ugandan companies and lending through the Austrian Development Bank or soft loans, including preparatory grants for soft loan project preparation via the Austrian Ministry of Finance.

BELGIUM

The Belgian Bilateral Cooperation in Uganda started in 1995 with the signing of a MoU, containing various projects in the transport and telecommunications sectors and institutional capacity building of local governments. The General Agreement on Development Cooperation between the two partners was signed on the 1st February of 2005.

In line with the EU-Code of "Conduct on Complementarity and Division of Labor in Development Policy", Belgium restricts its activities within the proposed IDCP to two concentration sectors:

- Education with special attention to Teacher's training and vocational education (Skilling Uganda)
- Basic health care, with particular attention to Institutional Capacity Building and Private-not-for-Profit service delivery.

The transversal themes (gender, environment and climate change, good governance) are emphasized in the concentration sectors and through additional development tools as delegated cooperation.
Lack of institutional and human capacity remains an issue which will be taken on board through capacity building in all projects.

The Belgian cooperation in each of its 18 partner countries is outlined in 4-year indicative cooperation programs. The actual IDCP for Uganda – of a total amount of 64 million EURO - is already the second in a row wherein the concentration sectors are maintained. Belgium's intention is to stay prominent in the same development sectors for at least three successive programs (3 x 4 year = 12 years), subject to the positive evaluation of each program.

[9] Austria, Ireland, the Netherlands, Norway, Denmark, Sweden, the UK and the European Union initiated this facility in 2011. The DGF supports Ugandan initiatives to promote democratic governance. About 20% of the funds go to government institutions, while 80% goes to civil society organizations.
Its three program components are:

- deepening democracy;
- rights justice & peace;
- voice and accountability

The bilateral cooperation from government to government is implemented by an independent institution, the Belgian Development Agency (BTC).

As Austria, Belgium is also channeling additional funds to non-governmental actors, international organizations, humanitarian organizations and to the private sector via the Belgian Investment Company for Developing Countries (BIO).

DENMARK

http://uganda.um.dk/

According to the legal basis of Danish development cooperation, the objective is to combat poverty and promote human rights, democracy, sustainable development, peace and stability in conformity with the UN Charter and the Universal Declaration of Human Rights.

To further these goals, the strategy concentrates on four strategic priority areas: 1) Human rights and democracy, 2) green growth, 3) social progress and 4) stability and protection. In 2013, Danish development assistance totaled € 2,2 bn, expected to equal 0,85 pct. of GNI.

Denmark has been part of Uganda’s history from its independence in 1962 and has since then maintained a direct presence in the country. Uganda remains a key development partner; the total development assistance in 2013 was € 41, 5 mio. The four main areas of intervention, jointly supported with other development partners, are:

- **Economic growth & employment:** support is provided to the Denmark-Uganda founded AgriBusiness Initiative (aBi) Trust, which is channeling technical and financial support to the agribusiness sector. Support schemes for recovery and development in Northern Uganda aim at improving the region’s main socio-economic indicators. Support is also given to improve the enabling environment for export through the TradeMark East Africa initiative. Private sector partnerships between Danish and Ugandan companies are sustained.
- **Good governance, democracy and human rights:** Danish assistance is mainly given through the joint Democratic Governance Facility, to the Judiciary under the JLOS sector and to the Accountability Sector with partners such as the IG and ULGA.
- **Water sector:** sector budget support and basket fund arrangements. The water and sanitation sector is supported through the Joint Water and Environment Sector Support Program (JWESSP) with a focus on rural areas, water resource management and climate change. Long-term technical assistance in the areas of good governance, financial management and water resource management is also provided.
- **HIV/AIDS:** both through the Ugandan AIDS Commission and the Civil Society Fund mechanism. Danish support is particularly focused on prevention, targeting Most-at-Risk Populations.

Denmark also seeks to promote cross-cutting issues such as gender mainstreaming, cultural exchange and cooperation as well as humanitarian and multilateral issues.

FRANCE

The French law on Development and International Solidarity Policy (February 2014), aims at (i) spelling out objectives and principles based on promotion of sustainable development through economic, social and environmental perspectives, and (ii) pointing out methods of implementation and evaluation.

The French development and international solidarity Policy is focused on the Millennium Development Goals (MDG), economic development, democratic governance and rule of law, preservation of environmental capital.

In Uganda, this policy has been illustrated by four priority areas of cooperation:

(1) **Water and sanitation, water for production**: since 1999, the French Development Agency (AFD) has mobilized 92.8 million € for this priority sector. The main challenges lie in the increasing demand, linked with the population growth, and in the water supply for informal settlements, especially in Kampala. There is a need for significant investments to ensure full effectiveness of the existing infrastructures and to set up new ones to meet this increasing demand with a long-term perspective.

(2) **Energy** (generation, distribution, access): 75 million € have been dedicated to this sector since 1999 by AFD, with substantial contributions to Bujagali dam and to the high voltage power line between Hoima and Nkenda.

(3) **Environment and biodiversity**: this priority area has progressively built up, with a major objective to support Uganda in the protection of its natural heritage, affected by demographic and economic pressures and threatened by poaching activities.

(4) **Social development**: small-scaled projects, implemented by civil society organizations, focusing on gender and environment issues in Kampala and Karamoja regions, have been supported through the Embassy's Social Development Fund.

Other characteristics of the French cooperation:

- France advocates for **human rights**, with a special focus on the death penalty, the rights of women and children, the rights of minority groups.
- Through its **economic diplomacy strategy**, France also promotes the inclusion of private sector in the broader development scheme.
- Convinced that **language and cultural diversity** are keys for the enhancement of social development, France strongly argues in favor of multilingualism and cultural expression. Alliance Française Kampala (legally a Ugandan non-profit association) is recognized as leading institution for language and cultural events. It boasts about 2 000 students every year and organizes cultural events.

GERMANY

Since the development cooperation started in 1964, Uganda and Germany look back on 50 years of successful bilateral partnership. General aim of the German Development Cooperation is to mobilise the economic potential of our African partner countries. In order to achieve this, Germany supports a wide range of programs: infrastructure investments, capacity building, training and education, and awareness creation in a number of sectors. In 2013, 159.5 million euros were pledged for the period 2013 to 2015, 126.5 million euros for Financial Cooperation (through KfW) and 33 million euros for Technical Cooperation (through GIZ). The following priority areas of cooperation have been agreed:

1. Renewable energies and energy efficiency

Germany has been chairing the energy and minerals sector development group for the last 4 years and has invested close to EUR 200 million since 2007. Germany is helping Uganda to develop renewable energies on a sustainable basis (e.g. development/ (co-) financing of Bujagali, Muzizi, Nyagak I, Nyagak III, Maziba hydropower plants and GET FiT Program – a total of about 480 MW of generation capacity). The GET FiT programme alone adds about 170 MW to the grid (hydro, biomass and solar) which increases Uganda's generation capacity by 20%, and leverages more than 400 million EUR private investments with 92 million EUR grant funds (delegated cooperation though KfW for UK, Norway, the EU and Germany). Energy efficiency and access to electricity is fostered through grants and concessional loans for transmission and distribution infrastructure as well as household connections. In addition, the technical assistance programmes aim to improve products and services, and framework conditions for access to renewable energy, and for energy efficient consumption and conservation among industries and households in Uganda.

2. Sustainable economic development: Rural and Agricultural Finance

A specific focus of the German engagement is in the area of rural and agricultural finance. With the Uganda Rural Challenge Fund and Technical Assistance, product and business development in financial institutions to serve specifically rural MSMEs and farmers are supported, accompanied by lines of credit to enhance lending for investments in improved productivity and productions.
A key pillar is the support to the BOU's Financial Inclusion Project (in the areas of Branchless Banking, Financial Literacy, and Financial Consumer Protection). In late 2013 the Strategy for Financial Literacy has been launched which is now being implemented with more than 150 stakeholders.
On the regulatory side Germany supports the formulation of guidelines and regulations for Mobile Money, Micro-Insurances, Agent Banking, and Financial Consumer Protection as well as the amendment of the Financial Institutions Act.

3. Water supply and sanitation

Improving urban water supply and sanitation has been a priority area of the German engagement in Uganda since 1988. Germany has since then provided Uganda with funding for the sector amounting to EUR 165 million. The German contribution currently focuses on regional areas with major activities in water and sewerage in Kampala, as well as the northern and eastern regions of the country, expanding the distribution network in selected small towns, rural growth centres, former IDP camps and cities where demand is highest. The National Water and Sewerage Cooperation NWSC and de-concentrated ministerial services are receiving financial and technical support to establish the necessary water and sanitation infrastructure, procedures and capacities to plan, implement and run water and sanitation supply systems. Decentralised operators and local authorities receive technical support to connect more households to the water supply and sanitation systems.

4. Further Fields of Activities

Further areas of engagement for Germany lie in the support to Uganda's accountability institutions and the improvement of public financial management as well as to the National Planning Authority for the inclusion of human rights principles in the planning process. Germany is also engaged in programs that promote adaptation to climate change and food security in vulnerable regions of Uganda. Since regional integration is key to sustainable economic development, Germany also works closely with the East African Community to build up regional institutions and cross-border cooperation.

IRELAND

www.irishaid.ie

Ireland's new Policy for International development, *One World, One Future*, was approved by government in May 2013. Its engagement is planned around *three goals* i.e.: i) Reduced hunger, stronger resilience; ii) Inclusive and sustainable economic growth; and iii) Better governance, human rights and accountability.

The aim of the Irish Aid programme in Uganda is to reduce chronic poverty and vulnerability in line with Uganda's National Development Plan.
Due to the misappropriation in the Office of the Prime Minister (OPM) in 2012, the Irish Aid Country Strategy Paper 2010 - 2014 was suspended, as was all Irish funding through government systems in Uganda. In the meantime, an interim program for 2013 - 2015 was developed with a reduced budget of €22.5 million (2013), €21 million (2014) and €16.2 million (2015) from a budget of €32.75 million in 2012. This funding is not going through government systems and uses independent management agents and NGOs.

The Irish Aid Focus areas are:
Governance: i) support for public financial management reforms; ii) support for democratic accountability, rights, peace and justice, through the Democratic Governance Facility[10]; and iii) support to justice reforms through the Justice Law & Order Sector.

[10] see footnote 8

Social Services and Development: i) Education sector - rehabilitation of primary schools in Karamoja, support to secondary education in the Acholi and Karamoja region and scholarships for Karamoja students; ii) support for HIV and AIDS programmes; iii) support for gender programmes; and iv) Support to the 'Expanding Social Protection Programme' (launched in September 2011) in Karamoja sub-region.

Economic/Private Sector Development: i) Support through the Irish NGO Traidlinks has enabled Ugandan companies to access the Kenyan and Rwandan markets; ii) business to business linkages; and iii) assisting Ugandan companies to improve their competitiveness.

Currently Irish Aid has commenced strategic planning for the period 2016-2020, on basis of an independent evaluation of the current strategy period 2010-2014.

ITALY

The Italian Parliament approved a new law for the Official Development Assistance. An Agency will take over the roles and functions nowadays carried out by the Directorate General for Development Cooperation at the Ministry of Foreign Affairs.

Health has been the primary and crucial concern of the Italian Cooperation and the Italian NGOs in Uganda since the Sixties, with three categories of intervention: "*promossi*" (funding projects designed by the NGOs), "*affidati*" (bilateral cooperation executed by NGO) and "*gestione diretta*" (direct bilateral cooperation).

During the last decade, Italian Cooperation has mostly carried out the latter type of projects, either in emergency situations - by projects not longer than 12 months aimed at tackling a crisis, such as the long lasting LRA-conflict and Ebola epidemics - or by sustainable three-years interventions aimed at supporting development.

Italy assists the Karamoja – Acholi Region, especially in the health sector. Since 2002, the Italian Cooperation is supporting, in close coordination with the Uganda Government, the Ugandan Health Sector Strategic and Investment Plan (HSSIP), in line with the PRDP. It aims at ensuring universal access to basic health services, especially for deprived population sectors, in order to achieve the Millennium Development Goals.
The support to HSSIP, for a total amount of € 12 million, was launched in 2009, including contributions to UNICEF and WHO. Worth of note are the outreach activities through mobile clinics, providing basic health services to populations living more than10 km away from a health centre; as well as the rehabilitation and construction of health infrastructures and staff housing facilities.
The Programme is also ensuring appropriate synergies with NGOs rooted in the areas, especially AVSI in Acholi and CUAMM in Karamoja. Forthcoming initiatives encompass further expansion of housing for health staff in the North, entrusting additional funds to the Ministry of Health for € 4.2 million. Also, an

internationally renowned Italian NGO - Emergency - is in the process of building and managing a Paediatric Surgery hospital in Entebbe.

THE NETHERLANDS

The Netherlands concentrate their efforts in 2 sectors:

Security and Rule of Law (€ 34,5 mln 2014-2017)

Activities were undertaken in:

1. The Justice Law and Order Sector (JLOS), focusing on the "supply side" of justice. Work is been done on both political and technical levels. Most results have been reached at the technical level although some JLOS institutions, especially the police, continue to pose challenges. Progress has been made as well at the political level, especially in terms of legislation, policy formulation and key appointments. On the technical level professionalism and accountability have been enhanced albeit at a slower pace than planned.

2. The Democratic Governance Facility (DGF)[11], focusing on the "demand side" of justice.

Food Security (€ 54 mln 2014-2017)

The program aims to increase agricultural productivity, income generation, regional trade and investments, with a strong link to the Netherlands. The program is aligned with the Ugandan government policy on agriculture and food security in the Development Strategy and Investment Plan 2011-2015 (DSIP). It supports adaptive interventions that farmers of both genders can engage in to adjust to climate change and environment pressures. Addressing both development cooperation and facilitating investments by companies has been from the onset an important driver of the program.

Criteria for the program:

- Aiming at higher incomes for market-oriented small farmers, with focus on youth and women;
- For a manageable portfolio, support to medium-sized projects of reputable implementing partners;
- Where possible, projects should lead to strengthening the bilateral economic relations;
- Preference for activities with a high added value,
- The program needs to be extensive to facilitate partnerships with Dutch businesses and knowledge

The program invests in high potential areas with proximity to growing markets: south-west, west-Nile and northern post-conflict areas linked to South Sudan, and eastern regions linked to Kenya.
By the end of 2013, the food security program supports some eight Ugandan, Dutch and regional institutional partners.

[11] See footnote 8

SWEDEN

http://www.sida.se/English/where-we-work/Africa/Uganda/

Sweden adopted a new development cooperation strategy for Uganda on July 2014, for the period 2014-2018.

The activities under the strategy aim to contribute to strengthening respect for human rights in Uganda and enhance the local population's opportunities to make a living and obtain improved health and freedom from violence. Contributions within the framework of the strategy are expected to contribute to the following results:

1. **Strengthened democracy and gender equality, greater respect for human rights and freedom from oppression**
- Greater capacity of civil society to improve respect for civil and political rights
- Greater capacity of civil society to promote the conditions for citizens to influence political processes and demand accountability
- Enhanced rule of law, with a focus on access to justice for people who live in poverty.

2. **Better opportunities for people living in poverty to contribute to and benefit from economic growth and obtain a good education**
- Strengthened competitiveness among producers and suppliers of goods and services
- Increased productive employment opportunities for women and young people
- Increased access to and control of productive resources for women
- Better access to social safety nets for vulnerable children.

3. **Improved basic health**
- Improved access to high quality child and maternal care
- Improved access to sexual and reproductive health and rights for women and men, girls and boys.

4. **Safeguarding human security and freedom from violence**
- Enhanced capacity to prevent gender-based violence.

The Swedish government has set aside 1.350 million SEK (US$200m or 514b UGX) for the bilateral cooperation to Uganda, excluding research cooperation. The following sectors will receive Swedish funding during the period:

- Health
- Governance
- Justice, law and order
- Private sector, trade and industry
- Agriculture
- Labor and social development (gender and social protection)

The Swedish support to the bilateral research program through Makerere University is guided by a separate strategy for research cooperation. The estimated Swedish contribution in research for the period 2015-2019 is 200-300 million SEK. Sweden will thus also work with research in the education sector.

Sweden's aim is to work towards coherent and effective aid coordination, above all by means of active participation in the EU's aid coordination and joint programming.

UK/DFID

The UK has worked closely with Uganda to support poverty reduction and growth since independence in 1962. Underpinned by a 10 year cooperation agreement signed in 2007, the current Operational Plan was agreed in 2011 and was recently extended by one year to 2015/16. Annual support to Uganda through the bilateral programme is between EURO 115 – 125m – a total commitment over the period 2011/12 – 2015/16 of around EURO 550m.

DFID's vision for the current Operational Plan is to support Uganda in its transition to a prosperous, stable and accountable democracy, positioned to exploit the benefits of oil for all Ugandans and able to protect the interests of the most vulnerable.

In 2013 DFID indefinitely suspended budget support in light of corruption and broader fiduciary concerns, and reprogrammed funds through other channels. Limited direct financial aid using GoU systems has been maintained in key strategic areas, including supporting public financial management reform.

A strong dialogue with the Government of Uganda (GoU) is being maintained, and the overall priorities agreed in the Operational Plan have not changed.

The UK already works in partnership with EU MSs (e.g. Ireland, Germany and the EU on social protection, renewable energy and transport respectively, and a total of eight EU members states on the Democratic Facility) and with non-EU MSs such as on accountability (US) and transport and support to the NDP (WB).

Key priorities include:

The UK will help Uganda to **achieve the MDGs**. The plan targets off-track MDGs in the health sector (including through substantial support for for maternal mortality and family planning, malaria and innovative results based health financing). The UK is considering returning to the education sector to enhance quality of outcomes. The UK is focused on helping the Karamoja region in the north to move from emergency support to medium-term development, and providing broader support across the north. Gender is a key component of our work, across all key pillars, and includes direct support around the policy and legislative environment, and direct support to survivors of Gender Based Violence. The UK, with Ireland, provides support to Uganda's social protection system and will also provide support for the refugees fleeing conflict in the Democratic Republic of the Congo (DRC) and South Sudan.

The plan **boosts wealth creation** by addressing the most binding constraints to inclusive economic growth – poor transport infrastructure, and financial services that are expensive and exclude poorer people – while making Uganda the hub of a regional market which can provide huge new opportunities. Major investments in regional economic integration include hard and soft infrastructure and systems. New programming in agriculture will leverage private sector investment into Northern Uganda. Skills training and youth development will seek to support Uganda's large and undereducated youth population to participate in growth The UK will support Ugandans to adapt to the effects of **climate change** and to use more renewable energy.

The plan **strengthens governance and security** to underpin future growth and to maintain Uganda as a stable country in an unstable region. In line with DFID's peacebuilding-state building approach, we will help improve access to state-provided services while investing in conflict resolution and reconciliation. The UK is a major donor to the Democratic Governance Facility and recently launched new, innovative programming to tackle corruption.

Value for money considerations will drive DFID's choice of investments and partners.

Beyond the bilateral programme, support from DFID in the UK includes substantial investments in the energy sector, in social sectors, accountability and elsewhere. Around a further EURO 25 m a year comes to Uganda from the UK in direct support.

NORWAY www.norway.go.ug

The objective of Norway's engagement in Uganda is to promote human rights and democracy, stability and development in the region and closer cooperation in the private sector. Norway's priority sectors and interventions in Uganda are in energy (clean energy and petroleum); good governance and financial accountability, democracy and human rights; and private sector.

Clean Energy and Petroleum

Norway's objective is to support Uganda's national plans and goals on increased access to clean, cheap and secure energy, as a mean to achieve economic development. Norway is financing the development of new hydropower projects, construction of transmission lines, and rural electrification.
In the Petroleum sub sector, Norway has supported Uganda through its 'Oil for Development Program' (OfD) since 2006. In this cooperation, Uganda and Norway have focused on the strengthening and the establishment of competent national institutions for the proper management of the oil resources.

Governance, democracy and human rights

Norway's support to human rights, democracy and good governance is mainly channeled through the DGF, and aims at strengthening democratic governance, financial accountability and universal human rights.

Private Sector
Norway aims at increased wealth creation in Uganda by supporting the establishment and investment of Norwegian companies, knowledge and technology transfer, as well as research.

Other Focus Areas for Norway include

- *Peace and stability in the region* – Norway aims at promoting dialogue between countries in the region that have been or are in conflict, through regional cooperation.
- *Environment and natural resource management, and Climate Change* – Norway supports the establishment of regulation and monitoring mechanisms for sustainable environment in the oil region (Albertine Graben) through the OfD programme. In addition Norway aims at promoting cooperation in management of regional ecosystems, and contributes to climate change adaptation.
    - *Gender Equality* – Norway aims at promoting gender equality and reduced tolerance for gender-based violence (SGBV), support to UNSCR 1325 on women, peace and security (including SGBV), and support to strengthening women entrepreneurs.