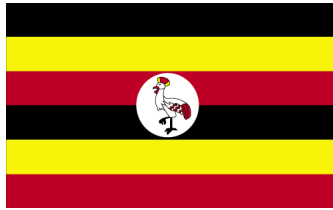


51. Country profile: Uganda



1. Development profile

Following years of political and economic turmoil, including brutal dictatorships and civil war, Uganda is slowly becoming a stable and prosperous nation. In the wake of independence from the British in 1962, the numerous ethnic groups – that the colonial power had callously grouped into a single nation – did not cohere into a singular political community. In 1971, Idi Amin established himself as a brutal and violent military dictator. His regime was responsible for the deaths of an estimated minimum of at least 300,000 supposed political opponents.¹ He also expelled all Asians from the country, an action that precipitated further economic turmoil.² The guerilla war and sweeping human rights abuses that occurred under his successor, Milton Obote, resulted in an additional 100,000 deaths.³

In 1986, under the leadership of Yoweri Museveni, the National Resistance Movement came into power and focused on “restructuring the economy through pro-market reforms and increasing the legitimacy of government institutions through political liberalization.”⁴ During this time, the Lord’s Resistance Army (LRA) waged a civil war in Northern Uganda; the war claimed thousands of lives and displaced more than one million people, “constraining economic activity and entrenching poverty in the region.”⁵

In 2004, the LRA was expelled from Uganda, and for the next few years there was peace. At the end of 2008, the LRA was attacked by the Ugandan, Sudanese and Congolese armies; and the ensuing war has caused great instability in the DRC and its borders areas with Sudan.⁶

¹ US Government, Central Intelligence Agency. “Uganda.” 22 April 2010.
<https://www.cia.gov/library/publications/the-world-factbook/geos/ug.html>

² IRIN. “Uganda: Humanitarian Country Profile.” February 2007.
<http://www.irinnews.org/country.aspx?CountryCode=UG&RegionCode=EAF>

³ US Government, Central Intelligence Agency. “Uganda.” 22 April 2010.
<https://www.cia.gov/library/publications/the-world-factbook/geos/ug.html>

⁴ World Bank. “Uganda: Country Brief.”
<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/UGANDAEXTN/0,,menuPK:374947~pagePK:141132~piPK:141107~theSitePK:374864,00.html>

⁵ World Bank. “Uganda: Country Brief.”
<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/UGANDAEXTN>

⁶ African Economic Outlook. “Uganda.”
<http://www.africaneconomicoutlook.org/en/countries/east-africa/uganda/#/overview>

In certain respects, Uganda is on track for achieving MDG goals. The percentage of people living below the poverty line declined from 56 percent in 1992 to 31.3 percent in 2006, indicating that Uganda should reach its MDG of halving poverty by 2015.⁷ However, these numbers are not necessarily representative of holistic improvements. For example, poverty in the Northern region remains high at 60.7 percent. Uganda has the highest population growth rate in the world, 3.2 percent annually, and this puts a huge strain on service delivery and poverty alleviation efforts.⁸

Other indicators – especially those concerning health – suggest mixed trends. Many health indicators remain low. Still: nutrition has generally improved; infant mortality has declined; under-five mortality has declined; and the percentage of deliveries in health facilities has increased. However, none of these improvements have been significant enough to meet the MDGs. Malaria remains endemic in 95 percent of the country and is resistant to most treatment. As a result of successful Government initiatives, the HIV/AIDS rate fell from 18 percent in 1992 to 6.4 percent in 2008.

The MDG for education is likely to be met. Universal Primary Education programme has boosted government expenditure on education to 3.2 percent of GDP. Primary school enrolment more than doubled from 1997 to 2006. A law passed in 2008 mandates primary school attendance, and parents whose children are not enrolled in primary school face up to seven years in prison.⁹ However, the educational infrastructure is challenged by the sudden enrolment increases: class sizes are too large; teacher to student ratios are very high; and completion rates are unsatisfactory.

Gender equality has increased and 30 percent of parliamentarians are women.

Uganda boasts substantial natural resources, most notably: fertile soil, adequate rainfall, deposits of copper, gold and recently discovered oil reserves.¹⁰ Agriculture constitutes an important economic sector, and it employs over 80 percent of the workforce. However, in recent years, agricultural growth has stagnated, as growth in the service and industrial sectors has burgeoned.¹¹ Coffee is the main cash crop and accounts for the majority of export revenues.

Economic reforms, which began in 1990, “ushered in an era of solid economic growth based on continued investment in infrastructure, improved incentives for production and exports, lower inflation, better domestic security, and the return of exiled Indian-Ugandan entrepreneurs.”¹² GDP growth averaged 7 percent annually in the 1990s and accelerated to over 8 percent in 2007. Due to a high population growth rate, real GDP growth per capita was only 4 percent in the 2000’s.¹³

⁷ Ibid.

⁸ Ibid.

⁹ Ibid.

¹⁰ US Government, Central Intelligence Agency. “Uganda.” 22 April 2010.
<https://www.cia.gov/library/publications/the-world-factbook/geos/ug.html>

¹¹ African Economic Outlook. “Uganda.”
<http://www.africaneconomicoutlook.org/en/countries/east-africa/uganda/#/overview>

¹² US Government, Central Intelligence Agency. “Uganda.” 22 April 2010.
<https://www.cia.gov/library/publications/the-world-factbook/geos/ug.html>

¹³ World Bank. “Uganda: Country Brief.”

Socioeconomic indicators ¹⁴	
Population (millions)	31.66
GNI per capita, PPP (current USD)	1,140
GDP (current USD) (billions)	14.33
GDP composition by sector (%)	Agriculture - 23 Industry- 26 Services- 52
GDP growth rate (%)	9.5
Percent below poverty line (%)	51.5
Inflation (%)	6.3
GINI index	42.6
Adult literacy rate (%)	73.6
Life expectancy (years)	53
Child dependency ratio	99.9
Elderly dependency ratio	5.2
HIV prevalence (%)	5.4
Overseas development aid per capita (current USD)	56
Net official development assistance (USD millions)	1,657
Remittances as % of GDP	7.2
2009 Human Development Index (HDI) ranking	157

2. Vulnerability analysis

2.1 External shocks

The post-election conflict in Kenya in early 2008 disrupted a trade link with Mombasa Port and increased transportation costs, which damaged the Ugandan economy.¹⁵ Another issue is the depletion of fish stocks in Lake Victoria; fishery outputs fell by 5.9 percent in 2007. High food and fuel prices forced inflation up to 12 percent in 2008.¹⁶

2.2 HIV/AIDS

Thanks to substantial efforts by the Government, the HIV/AIDS rate fell from 18 percent in 1992 to 6.4 percent in 2008. The Government has shifted from “the Abstain, Be faithful or use a Condom(ABC) policy towards US-backed abstinence-only programmes that discourage comprehensive sex education and condom promotion”.¹⁷

<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/UGANDAEXTN>

¹⁴Indicators. (n.d.). Retrieved from World Bank: <http://www.worldbank.org/indicator>

¹⁵Uganda. African Economic Outlook.

¹⁶ Ibid.

¹⁷ Ibid.

3. Monitoring and evaluation

The *Poverty Reduction Strategy Paper* which the government created has stated that an M&E framework will be implemented. However, there are challenges to this including: the limited flow of relevant information; weak coordination, especially in regards to MIS systems; and misused and underutilized information. In order to deal with these problems, the Government will: conduct two yearly household expenditure surveys, demographic and health surveys, national service delivery surveys and agricultural surveys. They will also commission two national integrity surveys, participatory poverty assessments, beneficiary assessments and research studies.¹⁸

4. Social assistance programmes overview

*All currency conversions are based on 17th February 2010 rates:

- 1 UGX = 0.00049 USD
- 1 EUR = 1.369 USD
- 1 GBP = 1.57161 USD.¹⁹

Programme# 1: non-contributory system	Programme name	National Pensions Scheme²⁰
	Programme overview	<ul style="list-style-type: none"> ▪ The scheme was created in 1927 by the British government to cover civil servants working in the colony. After independence, the scheme was extended to cover all civil servants in the country no matter their race.
	Programme components	<ul style="list-style-type: none"> ▪ A pension is given in two forms, on retirement the civil servant gets a lump sum payment which is calculated basing on the years of service and also dependent on the salary at the time of retirement. Thereafter the pensioner starts getting monthly payments. When a pensioner dies, his/her pension goes to the family members for a period of 15 years from the time of his retirement. Thereafter the payments stop. ▪ Widows and children receive Survivors Pension for 15 years from death of the original servant. Death gratuity is given as a lump sum and its mainly given to those who are not pension-able by the time of death. The amount received as gratuity is equivalent to the last salary of the deceased for three years.
	Programme coverage	<ul style="list-style-type: none"> ▪ The total number of all pensioners on the pay roll is 44,000 of whom 7,000 are widows and children of deceased soldiers and 110 are war veterans who are paid a regular pension. There are also 23,000 teaches of whom traditional teachers are 21,000. The widows and orphans to deceased teachers number 3,000.
	Beneficiary determination process	<ul style="list-style-type: none"> ▪ The scheme targets former civil servants including teachers, soldiers, widows of former soldiers and former public servants as well as orphans of former civil servants. ▪ One qualifies to get the pension on reaching the official retirement age which is at 60 for the civil servants. Police and army officers retire at 55years, while judges retire at 65years (the Chief Justice at 75years).

¹⁸Uganda. African Economic Outlook.

¹⁹Currency Converter. (2010). Retrieved from OANDA: <http://www.oanda.com/currency/converter/>

²⁰ Table drawn from Ntale, C. *National Experiences of Social Transfer Programmes in Uganda*. (2007). UK Government, Department for International Development.

		<ul style="list-style-type: none"> ▪ In order to qualify a civil servant has to notify the Pension Scheme at least 6 months before resigning or before retirement age. ▪ A public officer qualifies for pension in a number of circumstances including; having worked in Civil Service for not less than 20 years, having been appointed and confirmed into service with a letter of appointment, having worked for at least 10 years if joined public service above the age of 45.
	Finance	<ul style="list-style-type: none"> ▪ The scheme is financed by the Government of Uganda.
	Legal framework	<ul style="list-style-type: none"> ▪ The pensions scheme for the civil service and local administration is administered by the Pensions Act (CAP 281).
	Administrative framework	<ul style="list-style-type: none"> ▪ Public Service Pension Scheme deals with all the pensions except for the military which is jointly administered together with the Ministry of Defence. ▪ Local Government Pensioners receive their pensions from the respective districts where they were serving although approval and formulae for calculating payments are done by the Public Service Pension Scheme.

Programme# 2: provident fund system	Programme name	The National Social Security Fund²¹
	Programme overview	<ul style="list-style-type: none"> ▪ The National Social Security Fund (NSSF) is part of the Public Service Pension Scheme (PSPS), which is a provident fund to which all private sector employers with five or more staff, and their employees, must make mandatory monthly contributions. The scheme was started in 1967 as a provident fund on government's realization that there was an influx of people from the villages who were in formal employment but who when they retired in later years had no fallback position in terms of a gratuity or pension. In 1985, the scheme gained autonomy from the MGLSD and became the national social security Systems.
	Programme objective	<ul style="list-style-type: none"> ▪ The objective of NSSF is to provide a comfortable fallback position on retirement and permanent injury.
	Programme components	<ul style="list-style-type: none"> ▪ <i>Age Benefit:</i> The objective is to replace income security to the elderly through payment of their savings accumulated over the years during the period they were employed. ▪ <i>Invalidity Benefit:</i> Paid to a contributing member who has lost his/ her earning capacity due to physical or mental incapacitation as will be certified by a medical doctor. ▪ <i>Survivor's Benefit:</i> This is paid when a contributing member dies while working, spouses and children are the immediate beneficiaries. In case at the time of death the deceased had neither, the parents qualify. ▪ <i>Exempted Employment:</i> Paid to a contributing member who joins employment categories that are exempted i.e. have their social protection schemes that are recognised under the existing law and are exempted from contributing to NSSF .e.g. the army, police, prison, civil service and government teaching service employees or members of any scheme who have received exemption from the Minister responsible for Social Security in writing.

²¹Table drawn from Ntale, C. *National Experiences of Social Transfer Programmes in Uganda*.

		<ul style="list-style-type: none"> ▪ <i>Emigration Grant</i>: This is paid to a contributing member who has been working in Uganda and is leaving the country permanently. It is paid to both Ugandans and non-Ugandans.²²
	Programme coverage	<ul style="list-style-type: none"> ▪ The scheme targets employers and employees in formal employment. It has the following sub-schemes within it, namely: <ul style="list-style-type: none"> ○ Survivors' benefit which caters for the families of members that have passed away; ○ Invalidity benefit for those that have been permanently injured or disabled ▪ Old age benefit for those who retire.
	Beneficiary termination process	<ul style="list-style-type: none"> ▪ <i>Old-age benefit</i>: Age 55; age 50 if employment ceased at least a year before the time of the claim. ▪ <i>Disability benefit</i>: The fund member must have a permanent total disability for any work or a permanent partial disability resulting in a serious loss of earning capacity. ▪ <i>Survivor benefit</i>: Paid for the death of the fund member before retirement to eligible survivors.
	Finance	<ul style="list-style-type: none"> ▪ Under this scheme, the employer contributes 10% and the employees contribute 5% making a total of 15%. Funds are then invested and interest is paid annually to the individual members. It's a pure individual arrangement.
	Legal framework	<ul style="list-style-type: none"> ▪ First law: 1967. ▪ Current law: 1985 (social security fund).²³
	Administrative framework	<ul style="list-style-type: none"> ▪ National Social Security Fund is governed by a tripartite board of directors consisting of the managing director, the chairman, and other members appointed by the Minister of Finance, Planning, and Economic Development.²⁴

Programme# 3: in-kind transfer	Programme name	Voucher for Inputs Scheme²⁵
	Programme objective	<ul style="list-style-type: none"> ▪ To change the livelihoods of refugees who were only given food aid in previous programmes.
	Programme components	<ul style="list-style-type: none"> ▪ Community level projects which are designed and implemented by the community as a whole. ▪ Employment is provided to members of the community in which the projects are to be built. The workers receive vouchers as payment and these vouchers can be used to purchase agricultural inputs or tools.

²² Table drawn from *Benefits*. (2010). Retrieved from National Social Security Fund: http://www.nssfug.org/13/Our_Business/Benefits

²³ Table text from *Social Security Programs Throughout the World: Africa 2009*. (2009). Retrieved from US Government, Social Security Administration: <http://www.ssa.gov/policy/docs/progdesc/ssptw/2008-2009/africa/uganda.html>

²⁴ Ibid.

²⁵ Table drawn from Ntale, C. *National Experiences of Social Transfer Programmes in Uganda*.

	Programme coverage	<ul style="list-style-type: none"> The project so far covers Adjumani, Moyo, and Yumbe districts and is now scaling up to other regions of north and north eastern region.
	Beneficiary determination process	<ul style="list-style-type: none"> It primarily targets Refugee Hosting Areas in Uganda, and is intended to help farmers (both refugees and those in communities) to improve their agricultural production, and in so doing it is postulated, improving food security and people's livelihoods. The Voucher for Inputs Scheme has two categories of beneficiaries, namely, institutions and individual adults from the identified communities.
	Administrative framework	<ul style="list-style-type: none"> This is a DANIDA-supported scheme which is implemented under the aegis of the agency's agricultural support programme in Uganda.
	Socioeconomic impacts	<ul style="list-style-type: none"> By September 2006, a total of 9,213 households had been facilitated to exercise effective demand for improved agricultural inputs through issuing of Vouchers for work.

Programme# 4: cash and in-kind transfer	Programme name	Northern Ugandan Social Action Fund (NUSAF)²⁶
	Programme objective	<ul style="list-style-type: none"> To enhance the capacity of local communities in northern Uganda to identify and prioritise their needs as well as to improve the livelihoods of the residents of the communities.
	Programme components	<ul style="list-style-type: none"> <i>Community Development Initiatives:</i> This is mainly aimed at financing demand driven community based efforts to construct and rehabilitate small scale socio economic infrastructure such as community roads, health centres and schools. Communities are facilitated to identify and prioritise their needs followed by planning, implementation and management of sub projects. <i>Vulnerable Groups Support:</i> This is a cash transfer programme targeting vulnerable categories of the population. This includes people with disabilities (PWDs), orphans, child-headed households, ex-abductees, child mothers, internally displaced persons (IDPs), people living with HIV/AIDS (PLWHA) and youth. <i>Community Reconciliation and Conflict Management:</i> The project supports traditional and local approaches to peace building and community dialogues between rivalry ethnic tribes of Iteso and Karimojong.
	Programme duration	<ul style="list-style-type: none"> The programme ran from 2002 to 2007.
	Programme coverage	<ul style="list-style-type: none"> The programme targets poor communities, vulnerable and disadvantaged social groups and, for capacity enhancement, sector technical staff, NGOs, CSOs, private sector and local government councillors and staff. In order to benefit from the fund, one has to belong to a community group.
	Beneficiary determination process	<ul style="list-style-type: none"> No deliberate efforts are made by NUSAF to target chronically poor people, and from an examination of the projects which have been funded to-date it is evident that the largest number of beneficiaries are those who are able to organize and to influence local decision making, an attribute which most people who live in chronic poverty do not possess.
	Finance	<ul style="list-style-type: none"> It is a community driven 5 year development project (2002/3-2007/8) funded by the World Bank (contributing USD 100 million), the Government of Uganda (USD 13.5 million) and European Communities (USD 20.5 million).

²⁶ Ibid.

	Administrative framework	<ul style="list-style-type: none"> The project is administered by NUSAF district committees. All decisions are made at the community level.
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Programme# 5: in-kind transfer	Programme name	Heifer Project International-Uganda²⁷
	Programme overview	<ul style="list-style-type: none"> The project started as a response to a need which was expressed by the church of Uganda for assistance to be provided to poor and marginalized households in the country.
	Programme objective	<ul style="list-style-type: none"> The main goal of HPI-U program is improved food security and income status of the needy households, bearing in mind the family, gender as well as environmental protection.
	Programme components	<ul style="list-style-type: none"> Capacity building and training of farmers as well as distribution of livestock and other farm inputs to help alleviate food insecurity. The programme will also work to improve health and the environment through various activities such as tree planting.
	Programme coverage	<ul style="list-style-type: none"> HPI-U works in 24 districts with 36 projects and beyond Uganda's borders into Rwanda.
	Beneficiary determination process	<ul style="list-style-type: none"> HPI's response and approach are demand driven. If interested, it is expected that poor people, working in their groups and of their own accord, would first express that interest in what HPI does by extending a formal invitation to HPI to assist them.

Programme# 6: social insurance	Programme name	Health Insurance Scheme²⁸
	Programme objective	<ul style="list-style-type: none"> The scheme is intended to improve health care and health service delivery to citizens of Uganda.
	Programme components	<ul style="list-style-type: none"> Health coverage for employees in the formal sector of the economy that will eventually be expanded to include all workers in the economy within 15 years. Will protect against health expenses by providing health services to those covered under the scheme.
	Programme duration	<ul style="list-style-type: none"> Started in 2007.
	Finance	<ul style="list-style-type: none"> Employers will be expected to contribute 4 percent of gross salaries. Employees will have 4 percent of their gross salaries taken in the form of contributions into the scheme.

²⁷ Ibid.

²⁸ Ibid.

Programme# 7: welfare and social	Programme name	Second Northern Uganda Social Action Fund Project (NUSAF2)²⁹
	Programme overview	<ul style="list-style-type: none"> The development objective of the Second Northern Uganda Social Action Fund Project (NUSAF2) is to improve access of beneficiary households in Northern Uganda to income earning opportunities and better basic socio-economic services.
	Programme components	<ul style="list-style-type: none"> Community driven public works projects.
	Programme duration	<ul style="list-style-type: none"> 28th May 2009 until 31st August 2014.
	Finance	<ul style="list-style-type: none"> International Development Association: USD 100,000,000.
	Administrative framework	<ul style="list-style-type: none"> The implementing agency is the Office of the Prime Minister, Republic of Uganda.

Programme# 8: welfare and social services	Programme name	Reproductive Health Vouchers in Western Uganda³⁰
	Programme objective	<ul style="list-style-type: none"> The objective of the Reproductive Health Vouchers in Western Uganda Project is to reduce the number of mothers and children dying or being disabled due to absence or underutilization of skilled medical attendance and to reduce the burden of sexually transmitted diseases (STDs).
	Programme components	<ul style="list-style-type: none"> Capacity building of educators and institutions in order to better spread awareness and information about STDs and other diseases. Increase the number of safe child births by trained staff by 110,000. Treat 100,000 people with STDs.
	Programme duration	<ul style="list-style-type: none"> 22nd October 2007 until 31st December 2011.
	Finance	<ul style="list-style-type: none"> Global Partnership On Output-Based Aid: USD 4,300,000.
	Administrative framework	<ul style="list-style-type: none"> Marie-Stopes International-Uganda & Microcare LTD. are implementing this project.

Programme# 9: in-kind	Programme name	Emergency Assistance to Communities Affected by the 2008 Drought in Karamoja, North-Eastern Uganda³¹
	Programme overview	<ul style="list-style-type: none"> At the end of 2008, the Karamoja region of north-eastern Uganda faced a severe humanitarian crisis, following a drought which reduced agricultural output to an estimated 30 percent of normal levels. With the next harvest not due until October 2009, the situation could have deteriorated drastically unless urgent remedial action was taken in the interim. Given the scale of the food security crisis, the Government of Uganda has requested WFP assistance in Karamoja.

²⁹ Table drawn from *World Bank – Projects & Operations*. (2009, May 13). Retrieved from World Bank: <http://web.worldbank.org/external/projects/main?Projectid=P111633&theSitePK=40941&piPK=64290415&pagePK=64283627&menuPK=64282134&Type=Overview>

³⁰ Ibid.

³¹ Table drawn from *Emergency Assistance to Communities Affected by the 2008 Drought in Karamoja, North-Eastern Uganda*. (2008). Retrieved from World Food Programme: http://one.wfp.org/operations/current_operations/project_docs/108110.pdf

	Programme objectives	<ul style="list-style-type: none"> ▪ To provide food assistance to the residents of Karamoja until the next harvest.
	Programme components	<ul style="list-style-type: none"> ▪ <i>General food distribution:</i> General food distribution will be targeted at 970,000 food insecure people through a village-based system. ▪ <i>Supplementary and therapeutic feeding:</i> Supplementary and therapeutic feeding will be targeted at 101,000 moderately malnourished individuals and 11,590 severely malnourished individuals respectively. ▪ <i>Non-food Inputs:</i> The September 2008 health and nutrition assessment highlighted the importance of hygiene in preventing malnutrition and recommended that interventions be designed to address the poor living conditions particularly access to water and sanitation facilities.
	Programme duration	<ul style="list-style-type: none"> ▪ The operation was planned to run for 9 months (20 February – 19 November 2009). ▪ The operation was then extended until 31 March 2010.
	Programme coverage	<ul style="list-style-type: none"> ▪ Number of Beneficiaries: 970,000.
	Finance	<ul style="list-style-type: none"> ▪ Total cost to WFP: USD 77,773,275.
	Administrative framework	<ul style="list-style-type: none"> ▪ WFP implemented the project with the help of partner organisations such as World Vision and Samaritan's Purse.