REPUBLIC OF UGANDA

FOURTH NATIONAL DEVELOPMENT PLAN (NDPIV)

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REPUBLIC OF UGANDA

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FOREWORD

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PRESIDENT OF THE REPUBLIC OF UGANDA

EXECUTIVE SUMMARY

Uganda's economic development can be traced through distinct stages, reflecting its transformation over time. The economy during the colonial era was based on subsistence farming and barter trade, with the introduction of cash crop agriculture driven by colonial interests marking a shift toward a market-oriented economy. The immediate post-independence (1962-1970) was characterized by heavy reliance on the export of primary commodities, with minimal industrialization and a limited pool of skilled labour. This dependency made the economy vulnerable to external shocks. The period of economic and political turbulence (1971-1986) saw a sharp decline in production and productivity, as key sectors were disrupted by instability and mismanagement. Between 1986 and 1996, Uganda experienced a phase of economic recovery and transition. Reforms were introduced to stabilize the economy and encourage growth. From 1997 to 2009, the Poverty Eradication Action Plan (PEAP) guided efforts to reduce poverty and improve public services, aiming to enhance living standards for the population. The growth and socio-economic transformation period (2010 to the present) has focused on increasing competitiveness by addressing fundamental economic constraints and leveraging opportunities to transition Uganda into a modern and prosperous nation. This phase has seen the implementation of three National Development Plans (NDPs), prioritizing investments in infrastructure and human capital to lay the groundwork for sustained growth and transformation.

This National Development Plan - 2025/26-2029/30 (NDPIV) is the fourth in a series of six National Development Plans (NDPs) aimed at accelerating the socio-economic transformation of the country. It is the first of three 5-year NDPs that will deliver the 10-fold economic growth, which is expected to be achieved by doubling the size of the economy every five years.

To ensure a substantial impact, the Plan lays out strategies to close implementation gaps and address distortions that impede the effective utilization of the factors of production. Relatedly, given the narrowing fiscal space, innovative financing mechanisms will be harnessed to close the funding gaps as well as leveraging private sector involvement in the implementation of the Plan. The Plan builds on the progress made, challenges encountered and lessons learnt from the previous three plans.

The key achievements that have been registered during the implementation of the previous plans include:

i) Peace, security and macroeconomic stability have been attained. These should be sustained;

ii) The economy has more than tripled to Shs. 202.13 trillion in FY 2023/24 from Shs. 64.8 trillion in FY 2010/11, at the onset of NDPI;

iii) Domestic revenue collections have increased to Shs. 27.7 trillion during the FY2023/24 from Shs. 6.4 trillion in FY2010/11;

iv) The stock of total paved national road network has increased to 6,199 km (14.7% of a total of 21,020 km) in FY 2023/24 from 3,112 km in FY2010/11;

v) Installed electricity generation capacity increased to 2,047 MW in FY 2023/24 from 595 MW in FY2010/11. Relatedly, the proportion of the population with access to electricity increased to 58 percent in FY2023/24 from 24 percent in FY2017/18;

vi) Life expectancy has improved to 67.7 years in the FY 2022/23 from 50.4 in the FY 2010/11 and so have several health indicators;

vii) Poverty has decreased to 20.3 percent in FY 2019/20 from 24.5 percent in FY 2010/11 and the subsistence economy to 39 percent in the FY 2022/23 from 69 percent in FY2010/11;

viii) The percentage of the population subscribed to the internet rose to 53 percent in 2022 from 1.8 percent in 2010; and

ix) The National Backbone infrastructure extended to 4,300 km in 2022/23 from 1,380 km in 2010/11.

However, there are still several limiting factors and challenges, including:

i) The proportion of the population outside the money economy is high, with the proportion of households in the subsistence economy at 33.1% (3.5 million) in FY2023/24;

ii) Poor enterprise selection, leading to limited income generation and financial instability. Many households still invest in low-return or unsustainable ventures, leading to limited income generation and financial instability;

iii) Underutilization of productive assets is a significant challenge leading to sub-optimal returns and economic growth. For instance, the agricultural sector operates far below its potential due to inefficient use of arable land, limited mechanization, and poor market linkages. A majority of the working population is trapped in low-value agriculture and informal sectors, earnings below its contribution to production.

iv) Extensive land fragmentation, land ownership challenges and distortions constrain production and undermine productivity. Small parcels due to fragmentation of land limit the adoption of modern farming techniques that require larger consolidated areas for cost-effectiveness. Land use is further constrained by ownership challenges and the land market is highly speculative, leading to mispricing;

v) Despite the existence of abundant resources (land, minerals, tourist attractions), there is limited value addition and the tourism potential is still untapped;

vi) High transportation and electricity costs. Transport costs in Uganda, are among the highest globally, which results in inflated costs of consumer goods and reduced profit margins for the private sector, with delays averaging 2-3 days per trip on major trade corridors. Aditionally, the electricity tariffs are still high averaging US cents 10 kWh industrial establishments, as of December, 2022;

vii) The cost of capital (money) is relatively high and it is short term in nature. This is partly attributed to speculative tendencies, oligopolistic nature of the banking sector, the high risk for many borrowers, and application of a prime lending regime in a sub-prime market. Uganda's financial market is largely dominated by short-term capital that cannot finance long-term investments;

viii) Transport infrastructure is less rationalized and largely biased towards roads (90%), which has led to significant inefficiencies. The low investment in other modes of transport has limited interoperability, increased the cost of transport, and limited access to areas with potential for tourism, minerals, oil, or agriculture among others;

ix) Limited internal and regional markets and the persistence of non-tariff barriers (NTBs) significantly hinder the country's economic growth and trade potential. Uganda has failed to exploit the largest potential at the continental level (AfCFTA) in sugar products, palm oil, meat, pharmaceuticals, milk, and fish;

x) The heavy reliance on rain-fed agriculture, with limited irrigation, makes the economy highly vulnerable to climate variability, as erratic rainfall patterns, droughts, and floods frequently disrupt farming cycles, leading to reduced crop yields, livestock productivity, and food insecurity;

xi) Investment in and use of Science, Technology, and Innovation (STI) is still low to generate the required momentum for value addition, industrialization, and socio-economic transformation;

xii) Domestic revenue generation, averaging 13.7% of GDP since FY2021/22, is inadequate to finance the implementation of development plans;

xiii) The private sector, which is expected to drive growth and employment, is largely informal with survival and transition challenges;

xiv) High cost of public sector management and weak coordination & administration undermine effective implementation of development interventions. Over the past decade, the cost of public administration has risen significantly without a proportionate increase in domestic resources to finance it, reducing the available fiscal space. This has been financed by crowding out development expenditure which has reduced significantly over the period;

xv) Efforts to market and promote Uganda's brand in key destination markets are limited, ad hoc, and disjointed and the GKMA, the face of the country, remains unattractive and suffers from high congestion, long travel times, pollution, and petty crimes, all of which affect the marketability of the country;

xvi) Budget credibility has been undermined by frequent supplementary requests which have increased from 6.7% of the budget in FY2017/18 to 9.7% in FY2021/22, which is way above the required threshold of 3%. The supplementary requirements create a need for additional funding which has worsened the debt problem;

xvii) There has been slow implementation of core projects, hindering the realization of the planned results;

xviii) Industrial parks and free zones are inadequately developed to drive the value addition and industrialization agenda;

xix) High vulnerability to climate change and unsustainable use of natural resources pose a threat to sustainable development. The country has suffered from increased frequency and intensity of extreme weather vagaries (floods, landslides, and drought) due to climate change;

xx) Regional imbalances have remained despite the various affirmative programmes and projects implemented by the Government;

A number of lessons have been learnt from implementation of the previous three plans and considered while developing the NDPIV, including:

i) A peaceful and secure environment attracts both domestic and foreign investment as investors seek stable locations where their assets and operations are secure. Similarly, macroeconomic stability, characterized by low inflation, and stable exchange rates provides a predictable environment for economic growth;

ii) Macro-level interventions need to be accompanied by planned micro-level household-based planning and interventions with deliberate mobilization of the households to engage in market-oriented production to achieve a fully monetized economy. Therefore, the Parish Development Model (PDM) should be amplified to ensure that macro-level policies are responsive to local needs;

iii) Good Plans in themselves without collaborative implementation, sustained follow up, and accountability for results do not guarantee the realization of the desired change;

iv) Prioritization and sequencing of development interventions are key for generating impact from the constrained resource envelope. By focusing on high-priority areas, the country avoids spreading resources thinly across too many projects, leading to more meaningful outcomes;

v) There is a need to perfect and refine the programme approach to planning, budgeting and implementation so as to enhance synergies, coordination, sequencing, linkage of resources to results;

vi) Availability of financing alone without readiness for implementation is not sufficient in the delivery of development plans; and

vii) Addressing distortions in the factors of production is necessary to improve efficiency and resource utilization, thereby enhancing production capacity and enabling greater value addition needed to achieve double-digit growth.

In view of the lessons highlighted above, the Plan emphasizes the following approaches to ensure achievement of the desired results:

i) **A prioritization logic** which emphasizes value addition in productive areas with great potential to drive socio-economic transformation. Cognizant of the resource constraint, only key flagship projects and investments with the potential to propel the economy to a double-digit growth, coupled with the generation of new jobs and incomes for the majority of Ugandans. Therefore, discretionary resources of the budget will only be allocated to these priority areas;

ii) **The programme approach** introduced in the previous plan will be consolidated to ensure the effective delivery of results**.** This is aimed to eliminate the silo approach to service delivery to maximize the impact of development programmes. In this regard, the formulation of the Programme Implementation Action Plans (PIAPs) has been decentralized to strengthen ownership and development of programme strategies, objectives, priorities, results and budgets;

iii) **Indicative Planning Figures (IPF)** to ensure that the Plan is more fiscally realistic. The Plan also emphasizes the need to explore innovative financing options to reduce reliance on the already stretched traditional sources. In addition, the Plan emphasizes revenue generation activities across all programmes to ensure increased revenue during the implementation period;

iv) **Integration of Science, Technology and Innovation (STI), including ICT** into all other sectors of the economy to provide new sources of growth**.** This is expected to increase productivity and competitiveness in these sectors, driving growth and employment.

v) Development and enforcement of **service and service delivery standards** to increase efficiency in the delivery of public services.

Regional and Global Development Context

The Plan has also been designed with the regional and global development outlook. The key regional and global agenda informing the plan include; the Africa Agenda 2063, Agenda 2030, EAC 2050 and other development frameworks. For example, the Africa Continental Free Trade Area (AfCFTA) is likely to spur increased interest in foreign direct investment and open new markets for Ugandan products. The plan is cognisant of the challenges and threats posed by regional and global trends including: a constrained global financial environment; elevated trade policy uncertainty; security threats and cross-border conflicts; and increasing climate change and environmental challenges.

Strategic Direction

The goal of this Plan is to **"***higher household incomes, full monetization of the economy, and employment for sustainable socio-economic transformation*". The goal will be pursued under the overall theme of Sustainable Industrialization for Inclusive Growth, Employment, and Wealth Creation.

In pursuit of the goal, the Plan is focused on exploiting high-impact growth areas that will propel a double-digit growth over the NDPIV period and subsequently contribute to 10-fold growth of the economy over the 15 years leading up to 2040. The government will aggressively invest in improving the country's competitiveness by prioritizing development opportunities and ensuring a rapid uptake of STI in the identified growth areas. These areas include: (i) Full monetization of the economy; (ii) Value addition and industrialization; (iii) agriculture, (iv) tourism development; (v) mineral-based industrial development; (vi) ICT; and (vii) Finance.

The key objectives of the Plan are:

i) Sustainably increase production, productivity and value addition in agriculture, minerals, oil & gas, tourism, ICT, and financial services;

ii) Enhance human capital development along the entire life cycle;

iii) Support the private sector to drive growth and create jobs;

iv) Build and maintain strategic sustainable infrastructure in transport, housing, energy, water, industry, and ICT; and

v) Strengthen good governance, security, and the role of the state in development.

Prioritization Logic

The plan emphasizes value addition as a main strategy for accelerating growth, employment, and wealth creation to achieve higher household incomes and full monetization. By focusing on value addition, Uganda aims to raise the necessary resources to finance government's commitment to the universal goals towards provision of education, health, water, among others. In addition, the country's competitiveness in the regional and global markets will be boosted.

By addressing distortions in the factor of production including; land, capital, labour, entrepreneurship, and knowledge, there will be improved efficiency and resource utilization, thereby enhancing production capacity and enabling greater value addition, which is needed to achieve double-digit growth. Critical interlinkages among the inputs, processes, outputs, and support systems for value addition will be strengthened. Effective marketing (market research, commercial diplomacy, etc.), logistics, and compliance with standards are key for ensuring the efficient delivery of value-added products to markets. However, an integrated approach is needed to support the value addition agenda, underpinned by financing, good governance, peace, security, and macroeconomic stability.

The Plan prioritizes the following in line with the prioritization logic:

i) Value addition to agriculture (including fisheries and commercial forestry), Tourism, Minerals, and Oil & Gas (petrochemical industry i.e., refinery and Kabalega industry park);

ii) Infrastructure to support value addition (energy generation, transmission, & distribution, STI parks, special export processing zones, industrial parks, and EACOP) and maintenance of existing infrastructure;

iii) The knowledge economy (Science, Technology and Innovation) including Information Communication and Technology (ICT);

iv) Railways (Standard Gauge Railway and Meter Gauge Railway) so as to connect Uganda to regional and external markets and ease the cost of doing business;

v) Reduction of the cost of credit, especially through Uganda Development Bank (UDB) and Uganda Development Corporation (UDC),

vi) Full monetization of the economy through the various wealth creation initiatives including Parish Development Model (PDM) and EMYOOGA;

vii) Cultural & creative industry and sports (including hosting of the African Cup of Nations (AFCON));

viii) Cost effective solutions to deliver and consolidate gains in social services (health and education);

ix) Greater Kampala Metropolitan Area (GKMA). GKMA is to be positioned as Uganda's major logistical hub, a catalyst and springboard for increasing productivity in all aspects of the economy including FDI, tourism, efficient public services, and highly improved quality of life; and

x) Revenue generation. Full implementation of Domestic Revenue Mobilization Strategy (DRMS) and seeking innovative revenue generation across all government entities.

Expected results

At the end of the five years, the following key results are expected to be achieved: improved learning outcomes and acquisition of skills relevant to the job market; improved quality of life; improved access to services for social care, protection, safety and equity; a conducive environment for private sector investment is created, firms are competitive and meet national, regional and international standards; empowered youth, women and other categories of the labour force; improved transport services, connectivity and cost-effectiveness usability; increased access to clean, reliable, affordable and climate-smart energies; increased land under irrigation; increased penetration and usage of ICT services; increased peace, stability, accountability and civic participation; and increased government effectiveness, access to public goods & services, and good image.

Development Strategies

For successful implementation of the Plan, the following key development strategies will be pursued: (i) increase production, productivity and value addition in agriculture, minerals, oil & gas, tourism, ICT and financial services; (ii) promote sustainable use and management of natural resources; (iii) improve access, equity, and quality of education at all levels; (iv) improve access, equity and quality of healthcare at all levels; (v) enhance access to Water, Sanitation, and Hygiene (WASH); (vi) promote community mobilization and mindset change; (vii) expand social protection safety nets; (viii) institutionalize human resource planning and promote industry driven skilling and training; (ix) promote empowerment and livelihood programmes for special interest groups (x) promote decent employment opportunities; (xi) leverage the culture and creative economy for employment and domestic resource mobilization; (xii) promote games and sports; (xiii) promote nutrition for all; (xiv) reduce the cost of doing business; (xv) promote local content particularly for MSMEs; (xvi) increase competitiveness in regional and international markets; (xvii) strengthen public-private partnerships; (xviii) inculcate the entrepreneurship mindset; (xix) prioritize infrastructure maintenance; (xx) develop intermodal and seamless transport infrastructure; (xxi) increase access to clean, reliable, and affordable energy; (xxii) increase access to reliable and affordable ICT services; (xxiii) leverage urbanization for socio-economic transformation; (xxiv) strengthen the rule of law; (xxv) consolidate and sustain peace and security; (xxvi) increase government investment and participation in strategic areas; (xxvii) improve capacity and accountability for implementation of public programmes; (xxviii) leverage capacity of the non-state actors to implement the national plan; (xxix) increase civic participation in the development process, decision making, and democratic governance; (xxx) improve international relations and commercial diplomacy (xxxi) sustain a stable macroeconomic environment; and (xxxii) increase domestic resource mobilization while exploring innovative financing options.

Development Programmes

The Plan has identified eighteen (18) programmes that have been designed to deliver the required results. The programmes are classified under four broad clusters depending on the development thematic areas they contribute to most. The clusters include: Production and Value Addition; Social Development; Enablers; and Governance.

Production and Value Addition Cluster

1. **Agro-industrialisation**: aims to increase value addition to agricultural products. The key focus areas are: development and operationalization of value addition infrastructure; strengthening harvest and post-harvest handling; enhancing production and competitiveness of agricultural products for domestic, regional and international markets; strengthening specialized extension services; strengthening the adoption and integration of STI in agriculture; strengthening farmers field schools and cooperatives; de-risking agro-industry; eliminating counterfeits & low quality agro-inputs; and strengthening coordination, legal, and institutional framework for agro-industry.

2. **Sustainable Extractives Industry Development**: aims to ensure sustainable exploitation, value addition, and commercialization of extractives for resource-based industrialization. The key focus areas are: increasing value addition, transportation & storage infrastructure; increasing the adoption of appropriate mining technologies & practices; formalizing the mining industry; enhancing human and local enterprise capacity to participate in and develop the extractives industry; and strengthening the policy, legal, institutional & regulatory framework.

3. **Tourism Development**: aims to position the country as a preferred tourist destination. The key focus areas are: increasing tourism-related research and uptake; development, improvement, and diversification of tourism products; improving tourism infrastructure (transport, trails, electricity, ICT, accommodation and MICE); reducing the tourism skills gaps; strengthening and harmonizing marketing & promotion of Uganda as a preferred destination; strengthening enforcement of tourism standards and regulations; and strengthening conservation and protection of natural resources.

4. **Private Sector Development**: aims to increase survival and transition of private enterprises. The key focus areas are: reducing the cost of doing business; ensuring market access and competitiveness of goods and services; strengthening the capacity of local firms to tap into public investment opportunities; enhancing survival and growth of private enterprises; and strengthening the private sector organizational and institutional capacity.

5. **Manufacturing**: aims to increase secondary and tertiary value-added manufacturing. The key focus areas are: strengthening capacity of industry to advance to secondary and tertiary manufacturing; accelerating development and use of research innovations and adoption of appropriate technologies for secondary and tertiary value addition; strengthening collaboration between industry, academia, and research institutions; supporting market access and development for manufactured products; and strengthening the policy, legal & institutional framework for manufacturing.

Enablers Cluster

6. **Natural Resources, Environment, Climate Change, Land and Water Management:** aims to ensure sustainable management and utilization of land, environment & natural resources and effective response to climate change and other disasters. The key focus areas are: strengthening land administration and management; restoration of wetlands & forest cover; reducing the country's vulnerability to climate change; reduction of air and water pollution levels; increasing research and application of STI; strengthening capacity to tap climate finance; value addition to forests & other natural resources; and strengthening institutional coordination, enforcement & implementation of policies & laws.

7. **Integrated Transport Infrastructure and Services**: aims to have a seamless, safe, inclusive and sustainable multi-modal transport system. The key focus areas are: diversification of the transport infrastructure by fast-tracking railway and water transport investments; maintenance of existing transport infrastructure; investment in mass public transport especially in GKMA; cost-effective ways of infrastructure development and maintenance; diversification of financing and revenue generation for infrastructure development; and strengthen policy, legal and regulatory framework.

8. **Sustainable Energy Development**: aims to increase access to and consumption of reliable, affordable, clean, and modern energy services. The key focus areas are: increase in primary energy consumption; increase in the proportion of population accessing electricity; reduction in the share of biomass energy used for cooking; increase in transmission capacity; and enhanced grid reliability.

9. **Digital Transformation**: aims to increase ICT penetration and usage of ICT services for efficiency gains and job creation. The key focus areas are: increasing connectivity across the country; enhancing support systems for digital innovations and entrepreneurship; reducing

the cost of end-user devices and digital services; fostering digital skills & literacy; promoting cybersecurity and data protection; strengthening enforcement of policies, laws & regulatory frameworks and institutional coordination.

10. **Innovation, Technology Development and Transfer**: aims to increase commercialization of STI products and services. The key focus areas are: developing requisite STI infrastructure; increasing the stock of specialized STI human capital; developing STI ecosystem; and strengthening regulatory environment.

Social Development Cluster

11. **Sustainable Urbanization and Housing**: aims to attain well-planned and productive urban centers with affordable housing. The key focus areas are: enhancing implementation of the urban plans; developing and maintaining urban transport, lighting, and housing infrastructure; developing and improving supportive infrastructure and facilities for the creative industry; developing appropriate drainage and waste management system; providing business development services; improving the land acquisition process; and strengthening the policy, legal, institution, and coordination frameworks.

12. **Human Capital Development**: aims to achieve a healthy, knowledgeable, skilled, ethical and productive population. The key focus areas are: strengthening the foundation for human capital; reducing knowledge and skills gaps; strengthening talent development and nurturing; developing and maintaining supportive infrastructure and facilities for the creative industry, sports, health, and education; increasing adoption of preventive health measures; reducing child labor, child marriages, and teenage pregnancies; improving food and nutrition security; increasing access and coverage of WASH; increasing coverage of social protection; reduce gender inequality and inequities; increasing participation in government programmes and wealth creation initiatives; institutionalizing and integrating human resource planning and development; reducing the cost of provision and access to health and education services, and ensuring decent and productive work environment for all.

13. **Regional Development**: aims to improve delivery of decentralized services and achieve balanced regional development. The key focus areas are: enhancing the capacity of Local Governments to deliver decentralized services; supporting the LED; enhancing the capacity to generate local revenue; effectively integrating refugee response; fostering affirmative action; and enhancing legal, institutional, coordination, and regulatory capacity for effective delivery of decentralized services.

Governance Cluster

14. **Public Sector Transformation**: aims to improve public sector that is efficient and responsive to the needs of the public. The key focus areas are: strengthening accountability mechanisms;

strengthening human resource management in the public sector; enhancing the adoption and usage of e-government services; streamlining government structures and institutions for efficient and effective service delivery; deepening decentralization and local economic development; and strengthening policy, legal, institution, and co-ordinational framework.

15. **Governance and Security**: aims to ensure a peaceful and secure Uganda, adhering to the rule of law. The key focus areas are: enhancing the capacity of the security forces to respond to the existing and evolving threats; enhancing patriotism, national value system and civic awareness; improving JLOS delivery processes; strengthening the fight against corruption; strengthening application & integration of digital solutions; leveraging the capacity of the security forces in production, value addition and infrastructure development; promoting compliance with the Bill of Rights; strengthening democracy; strengthening regional and international relations; strengthening public policy analysis and management; and strengthening the administrative, legal, institutional, and coordination capacity for security and governance. the vital assets and security installations.

16. **Administration of Justice**: aims to improved access to justice for all. The key focus areas are: reducing case backlog in the commercial and land court divisions; improving staffing & skilling; expanding and integrating automated system; increasing access to legal aid by vulnerable persons; strengthening the legal and regulatory framework; increasing public trust in the justice system; reducing congestion in detention centers; harmonizing formal & informal justice processes; and improving physical infrastructure.

17. **Legislation, Oversight and Representation**: aims to ensure efficient legislation, representation, and accountability for results. The key focus areas are: increasing effectiveness and efficiency in legislative processes; improving alignment of plans to the budgets; improving the quality of representation at all levels; and strengthening institutional capacity of the programme.

18. **Development Plan Implementation**: aims to increase performance of the National Development Plan. The key focus areas are: enhancing development planning capacity; increasing domestic revenue generation; strengthening fiscal discipline, strengthening M&E systems to track progress; strengthening coordination of implementation; and strengthening statistical systems for development planning.

Macroeconomic Strategy

Over the Plan period, a double-digit growth of 10.13% by FY2029/30 is expected. This is expected to yield an annual average of 884,962 jobs. The GDP per capita is expected to reach USD 2,942, firmly entrenching the country’s middle-income status. The economic growth and jobs strategy focus is: increasing productivity of all sectors; pursuing value addition in the agro-processing, tourism, mineral products, oil & gas and mainstreaming STI; redirecting industrialization to light manufacturing; and ensuring delivery of quality services. Particular focus for jobs will be on: expanding the industrial base, ensuring productivity gains across all sectors; diversifying economic activities to generate job opportunities; and expanding household investment opportunities through the PDM and other wealth creation funds. Urbanization and tourism development are expected to open up job opportunities in the real estate sector, financial services sector, and accommodation & food services.

Developments in the external sector are expected to contribute positively to growth on account of an increase in exports of high-value commodities. The overall trade balance deficit is expected to improve to 3.5% of GDP in FY2029/30 from 4.5 of GDP in FY2024/25 and average at about 3.6% during the NDPIV period.

The revenue-to-GDP ratio is expected to grow by 0.5 percentage points annually rising to 18.7% by FY 2029/30 from 14.5% in FY 2023/24, while the expenditure-to-GDP ratio will decline from 24.7% to 19.1% throughout the Plan. However, the increase in revenue will not be sufficient to finance the development needs therefore, external financing, driven by increased borrowing at concessional and non-concessional terms, will continue to have a significant role in financing debt. Consequently, public debt to GDP is expected to increase to 52.5% in FY 2029/30 from 46.9% in FY 2023/24. Nonetheless, the fiscal deficit is expected to gradually decline to less than 1% by FY 2029/30 in line with the EAC Convergence criteria.

Risks to the attainment of the Macroeconomic Strategy

i) Subdued global growth could limit external demand for exports, challenging the attainment of the double-digit growth targets. There is a need to maintain foreign reserves covering at least 3.4 months of imports, actively diversify export markets through bilateral and multilateral trade agreements, and prioritize investment in critical infrastructure like transportation and energy;

ii) Increased debt servicing costs could divert resources away from critical investments and social services, particularly if revenue growth does not meet projections or if economic growth falls short of expectations. There is a need to focus on improving efficiency in budget execution while prioritizing concessional and semi-concessional loans from bilateral and multilateral agencies for external debt;

iii) Meeting the revenue targets requires significant improvements in tax administration, including curtailing corruption and expanding the tax base, particularly in sectors like mining and oil, as well as enhancing compliance across the board. If these improvements do not materialize as planned, revenue targets might not be met, jeopardizing the ability to finance key investments and maintain fiscal sustainability. There is a need to address tax evasion and smuggling, broaden the tax base, as well as deploy and implement digital technologies in tax administration;

iv) The anticipated growth in employment heavily relies on the successful implementation of both public and private investments and projects. However, delays or inefficiencies in project execution could undermine job creation efforts. Additionally, structural issues in the labor market, such as skills mismatches or regional disparities, could affect the ability to generate the projected number of jobs. This is addressed by prioritizing targeted investments in high-growth areas such as agro-processing, tourism, and manufacturing, while streamlining project execution to minimize delays.

Financing of the Plan

The overall cost of financing the planned programme interventions over the 5-year period is estimated at around Shs593,646 billion, of which Shs413,206 billion (69.6%) is contribution by the Public while Shs180,439 billion (30.4%) is private sector contribution. The Plan will be financed from both public and private sources. Public financing will include traditional sources (including domestic revenue, non-tax revenue, grants, domestic and external debt) and non-traditional financing sources (including climate finance, blended finance, infrastructure bonds, and Diaspora bonds).

Implementation Coordination, Monitoring and Evaluation

Implementation reforms have been identified for each programme to ensure the delivery of the desired results. The coordination role of the Office of the Prime Minister is to be strengthened to ensure that all MDAs focus on delivery of common programme results, the ‘silo’ working modality is reduced and synergies are enhanced.

In order to ensure operationalization of the Plan, the Programme Implementation Action Plan (PIAPS) as well as the different Ministries’, Departments’, Agencies’ and Local Government Strategic and Development plans will be aligned to the NDPIV. Implementation of these plans will also be linked to the Programme Based Budgeting System (PBBS). In addition, development partners will align their frameworks to meet the aspirations of the Plan.

Monitoring and evaluation of the plan will be strengthened through the introduction of systemic and institutional reforms for improved effectiveness. Some of these include: rolling out and operationalizing an integrated Web-based NDP performance monitoring system that interfaces with the Programme Budgeting System and IFMIS; as well as operationalization of a High-Level Public Policy Management Executive Forum (Apex Platform) to strengthen effective public policy management and promotion of good governance practices.

Risk Management

The Plan acknowledges the need for risk-informed development as a process and not an event. This is because there is a continuous interaction across local, regional, and global risks including;

terrorism, epidemics, cybercrime, natural hazards and disasters, climate change, organized economic crimes, and sabotage, among others. The plan has therefore identified and analyzed various potential (endogenous and exogenous) risks and prescribed possible mitigation, continuous monitoring, and management measures during the plan period.

PART I: BACKGROUND AND DEVELOPMENT CONTEXT

CHAPTER 1: BACKGROUND

1.1 Introduction

1. **Uganda's economic progress is analyzed from the dawn of colonialism to date.** This progress can be categorized in five phases: The colonial period (1900-1962); the immediate post-independence period (1962 -1986); the economic recovery period (1986-1996); the Poverty Eradication Action Plan (PEAP) Phase (1997-2009), and; the growth and socio-economic transformation phase (2010 - to date).

2. **The colonial period was characterized by subsistence farming, barter trade, and the beginnings of cash crop agriculture introduced by colonial interests**. Traditional livelihoods revolved around agriculture, fishing, and pastoralism, with communities primarily cultivating crops like millet, sorghum, bananas, and cassava for sustenance. Livestock, particularly cattle, were significant for wealth, social status, and cultural practices, especially among pastoralist communities. Under colonial influence, cash crops like cotton, coffee, tea, and tobacco were introduced as a key economic activity, laying the foundation for Uganda's integration into the global market on highly disadvantageous terms, relegating the country to the production of raw materials for European industries. This created an enclave economy, with an illusion of modernity surrounded by widespread capitalist structures. These factors combined to ensure that Uganda's economy at the time could not support significant prosperity and development. An analysis of the state of factors of production shows that the economy relied on rudimentary tools and manual labor, with limited infrastructure for transport and communication. Barter trade was common within and between communities, with commodities like food, iron tools, and salt serving as trade items.

3. **The immediate post-independence period (1962-1970) was characterized by heavy reliance on the export of primary commodities, with minimal industrial development and limited skilled workforce.** While there were some advances in the economy, such as increased production in certain commodities and services including; coffee, cotton, and copper (3Cs) as well as tea, tobacco, and tourism (3Ts), the benefits were not broadly shared. Only about 4% of Ugandan households were part of the money economy by the late 1960s. Services and infrastructure were inadequate to support significant economic transformation, and the focus on raw material exports limited the potential for self-sufficiency and industrial growth. Notably, the education system left Uganda with a limited skilled workforce.

4. **The economic and political turbulence period (1971-1986) was characterized by a drastic decline in production and productivity due to the disruption of key sectors**. The 3Cs and 3Ts that formed the backbone of the economy, were severely affected. Cotton production ceased, copper mining stopped, tea output plummeted from 23 million kilograms to 3 million

kilograms, and tourism significantly declined. Coffee and tobacco were the only sectors that limped on. Industrial activity declined and infrastructure deteriorated due to neglect, mismanagement, and the expulsion of Asians in 1972, resulting in capital flight, reduced Foreign Direct Investment, and international isolation. The formal economy was largely replaced by a black-market system driven by smuggling, currency black markets, and speculation. Agricultural productivity declined due to insecurity, displacement, and limited supply of inputs, exacerbating widespread poverty and food shortages. The GDP shrank by 25% compared to 1970, dropping to $1.26 billion by 1986, with public services such as health and education nearing collapse.

5. **The period between 1986 and 1996 was characterized by economic recovery and transition**. The remnants of the 3Cs and 3Ts were the starting point for recovery. The key sectors of the economy were stabilized due to introduction significant reforms to expand and diversify the economy. The scope of economic activity was broadened to include non-traditional cash crops such as maize, beans, bananas, fruits, and milk, which brought in significant foreign earnings. This marked a shift toward diversification of the economy and reduced reliance on the export of traditional raw materials. Whereas there was recovery of local industries and expansion of infrastructure, value addition remained limited in most sectors, with exports constituted of mainly unprocessed primary commodities. There was emphasis on the science economy that formed a basis for introduction of inclusive education programmes such as the Universal Primary Education (UPE), and Universal Secondary Education (USE). Initiatives to strengthen the private sector, attract foreign investment, and rebuild basic infrastructure laid the groundwork for industrialization.

6. **The Poverty Eradication Action Plan (PEAP) period (1997-2009) was characterized by poverty eradication and provision of public services to improve people's living standards.** Nonetheless, the economy remained less competitive. The performance of the economy improved that is: (i) there was remarkable turnaround in economic performance and the economy grew at an average rate of 7.7 percent over the 1997-2007 period but declined by 1.4% between FY 2008/09 and 2009/10, (ii) during the period FY2001/02 to FY 2009/10, the private sector was strong, (iii) revenue from non-coffee exports increased by more than six-fold between 1997/98 and 2008/09, rising from $189.6 million to $1,199.6million, (iv) the share of industrial products in total exports increased from 43.8% in 2007/08 to 54.9% in 2008/09 and (iv) the proportion of the population living below the absolute poverty line declined from 56.4% in 1992/93 to 31.1% in 2005/06 and to 24.5% in 2009/10. Nonetheless, the economy was still less competitive due to key binding constraints including low human capital development and under developed infrastructure in form of energy, transport, STI and ICT. As a result, some of the development challenges in the previous plans remained, for example; low agricultural productivity, low value addition in all opportunities, unemployment persisted, and low export performance among others. Therefore, the next planning phase prioritized increasing competitiveness of the economy by addressing the binding constraints.

7. **The Growth and Socio-Economic Transformation period (2010 - to date) focusses on increasing competitiveness by strengthening fundamentals and harnessing opportunities to transform the economy from a peasant to a modern and prosperous country**. In line with the Comprehensive National Development Planning Framework (CNDPF), the Uganda Vision 2040 was formulated. The Vision is operationalized through six 5-year national development plans (NDPs). So far, three NDPs have been implemented. The first three plans prioritized investment in infrastructure and human capital to address the binding constraints to lay a foundation for exploitation of growth opportunities.

8. **This National Development Plan (2025/26-2029/30) is the fourth in a series of six National Development Plans (NDPs) aimed at accelerating the socio-economic transformation of Uganda.** Despite laying the foundations for development in infrastructure, security, human capital, and others, the country's progress has been slow. The average growth rate for the last decade has been 4.8% against the Uganda Vision 2040 target of 8.5%. At this rate, the Vision targets of reaching upper middle-income status with a GDP of USD 581 billion and per capita income of USD 9,500 are unlikely to be realized. A 10-fold increase in the size of the economy (at USD 53.2 billion in FY2023/24) is required to bring back the economy on the critical path to attaining the Uganda Vision 2040 targets in the remaining 15 years. In this regard, a 10-fold growth strategy was developed. The Fourth National Development Plan (NDPIV) is therefore the first of the three 5-year NDPs that will deliver the 10-fold growth strategy, which is expected to be achieved by doubling the size of the economy every five years. Therefore, doubling the size of the economy will necessitate achieving double-digit GDP growth rates.

9. **The Plan lays out the approaches, strategies, and implementation reforms necessary to achieve double-digit growth.** The goal of the Plan is to achieve higher household incomes, full monetization of the economy, and employment for sustainable socio-economic transformation. This is to be achieved through full monetization of the economy accelerated by: full operationalization of the Parish Development Model (PDM); sustainable value addition and industrialization in key growth areas including agriculture, tourism, minerals, oil & gas, the knowledge economy leveraging science, technology & innovation (STI) and information, communication & technology (ICT). In addition, investment in key services including financial, education, health, transport, energy, and urbanization, especially the Greater Kampala Metropolitan Area (GKMA) will be prioritized.

10. **In particular, focusing on sustainable industrialization is premised on the desire to exploit the primary growth anchors of the economy to catapult the 10-fold growth.** Sustainable industrialization and value addition will boost productivity and accelerate inclusive economic growth, employment, and wealth creation. Industrialization and value addition serve as foundations for the development of other areas such as urbanization, infrastructure, and social services, as well as agriculture, science, and technology. Additionally, value addition and industrialization are expected to generate multiplier effects,

creating beneficial linkages and opportunities across various sectors. Industrialization relies on input bases and markets such as agriculture and minerals to flourish. It also depends on educated, skilled, and healthy individuals who provide labor and constitute markets for the finished products.

11. **To ensure substantial impact, the Plan lays out strategies to close implementation gaps and address distortions that impede the effective utilization of factors of production.** To improve the performance management of the public service and accountability for results, the Plan lays out strong institutional mechanisms and reforms for follow-up. It lays out strategies to address market failures, and policy and regulatory-induced distortions in factor markets. Relatedly, given the narrowing fiscal space, innovative financing mechanisms will be harnessed to close the funding gaps. In addition, to ensure impact, discretionary resources of the budget will only finance the NDPIV-selected priority areas. Further, the private sector involvement in the implementation of the Plan will be leveraged.

1.2 Achievements, challenges, and lessons learned from the past NDPs

12. The NDPIV aims to build on the development gains of past NDPs. The Plan is informed by the lessons learned during the previous Plans and seeks to address the existing challenges to accelerate socio-economic transformation. The discussion below highlights the past achievements, challenges, and lessons learned.

1.2.1 Achievements

13. **Throughout the execution of the previous NDPs, a strong foundation has been laid for faster growth and socio-economic transformation**. The necessary foundation has been laid in infrastructure, security, and human capital. These are detailed as follows;

    i) **Peace, security, and macroeconomic stability prevail.** Uganda is generally peaceful, except for the Karamoja region with sporadic incidences of cattle rustling. This has mainly been achieved through military cooperation with neighboring countries. In addition, strategic global and regional military partnerships have enabled Uganda to build its military capacity and advance its key national development agenda. Besides peace and security, Uganda's economy has been characterized by a stable macroeconomic environment underpinned by a stable exchange rate and low & stable inflation averaging 5%. To achieve the ten-fold growth, peace, security, and macroeconomic stability should be sustained.

    ii) **The size of Uganda's economy increased more than 3-fold in the last 14 years.** Nominal GDP increased to Shs. 202.1 trillion in FY2023/24 from Shs. 64.8 trillion in FY2010/11, while GDP per capita increased to USD 1,146 from USD 589 over the same period. The growth has been driven by: (i) industry, which grew at an average of 5.5% mostly from mining and quarrying, electricity, and construction; (ii) services, which grew at an average of 5.3% mostly from ICT, creative industry, and public administration; and (iii) agriculture (3.5%) mostly from food crops and livestock. However, the average growth of the three sectors was below the target of 6-7% partly due to the effects of COVID-19. This justifies the need to double the size of the economy every five years.

iii) **The economy has been diversified from the traditional economic base (3Cs and 3Ts, like, coffee, cotton, copper, tobacco, tea and tourism) leading to a more sophisticated economy.** Consequently, export receipts increased more than 4-fold in the last 14 years (2010/11-2023/24) with the EAC as the principal market. The total formal exports increased to USD 7,942.1 million in FY2023/24 from USD 1,879.4 million in FY2010/11, representing a 10.8% average annual growth. However, the trade deficit has continued to worsen partly because exports are dominated by low-value primary products such as coffee, maize, and fish. This justifies the need to add value and diversify exports to tap into high-end markets, reduce trade deficits, create jobs, and grow the economy.

iv) **Domestic revenue increased 4-fold over the last 14 years (FY2010/11-2023/24).** The revenue increased to Shs. 27,726 billion from Shs. 6,402 billion over this period. This is largely attributed to improvements in tax administration, enforcement of tax compliance, and expansion of the tax register. Nonetheless, domestic revenue as a proportion of the GDP is low, averaging 13.8% between FY2020/21 and 2023/24. These revenue collections are still below the 18% of GDP threshold of the domestic revenue mobilization strategy (DRMS, 2019). Revenue collections need to significantly increase to finance the desired 10-fold growth. To this end, there is a need to continue expediting the implementation of the Domestic Revenue Mobilization Strategy during the NDPIV implementation.

v) **Investment in road transport infrastructure has significantly improved connectivity providing potential for better movement of people, trade, and tourism.** The stock of paved national road network increased to 6,199 km (29.5% of a total of 21,020 km) in FY2023/24 from 3,112 km in FY2010/11. However, there is a significant maintenance backlog which is leading to rapid deterioration in the state of the road infrastructure. Moreover, transport infrastructure has been biased towards roads which has perpetuated the high cost of doing of doing business. There is a need to prioritize road maintenance and diversify the transport modes for interoperability.

vi) **At the current suppressed demand level, adequate electricity generation capacity has been built, tripling in the last 14 years.** It increased to 2,047 MW in FY 2023/24 from 595.0 MW in 2010/11. As a result, the percentage of the population accessing electricity increased to 58% in FY2023/24 from 24% in FY2017/18. To address the suppressed demand, there is a need to reliably transmit and distribute electricity to potential consumers. Further, the current installed capacity is insufficient to drive the 10-fold growth strategy. In addition, the current electricity generation capacity is biased towards hydro, hence the need to diversify and ensure a reliable supply of energy to boost industrialization.

vii) **A significant reduction in malaria outbreaks has been recorded over the last 12 years.** In-patient malaria deaths reduced to 4.9 per 100,0000 in FY 2021/22 from 36 in FY2010/11. This has mainly been due to the expansion of primary healthcare and the increased investment in preventive measures. The percentage of households that owned at least one insecticide-treated net increased to 100% in 2022 from 60% in 2011. Similarly, full household insecticide-treated net coverage has increased to 99% from 28% in the same period. To sustain these gains there is a need to prioritize investments in prevention and functionality of primary healthcare facilities.

viii) **The total fertility rate reduced to 5.2 children per woman in FY2022/23 from 6.2 in FY2010/11.** This implies a decline of one child in the fertility of women over the same period. However, there is a location dimension to the changes in fertility rates. Whereas the total fertility rate among rural women has declined to 5.6 children in FY2022/23 from 6.8 children in FY2010/11, the fertility rate among urban women has increased to 4.3 children from 3.8 over the same period. Despite the slight reduction, the fertility rate of 5.2 children per woman is too high to obtain the envisaged demographic dividend. This slow decline has been mainly driven by not only a high rate of teenage pregnancy (at 24%) but also a high preference for large families among Ugandan societies. This calls for increased efforts towards equitable access to sexual reproductive health services.

ix) **On average, Ugandans are now living longer.** Life expectancy increased to 68.6 years in FY2023/24 from 50.4 in FY2010/11. This has been partly driven by improvements in access to health services, infant, and maternal mortality rates. There has been an increase in the population living within a 5 km radius of a health facility to 91% in FY2020/21 from 86% in FY2016/17. In addition, between FY2006/07 and FY2022/23, infant mortality per 1,000 live births has reduced to 36 from 54, This decline has been largely driven by a decline in post-neonatal mortality. However, neonatal mortality stagnated at 27 deaths per 1000 live births for 10 years (2006-2016) before declining to 22 in 2022. There has also been an increasing trend in the prevalence of non-communicable diseases such as cancer, diabetes, and cardiovascular diseases. The country needs to focus on improving health infrastructure and systems more so those related to childbirth to reduce the neonatal mortality rate. This calls for accelerated investment in preventive, palliative, and specialized healthcare.

x) **Since Ugandans are living longer, there is an opportunity to harness its demographic dividend with substantial investments in education, skills development, and job creation.** This will ensure that the growing working-age population becomes a productive driver of economic growth. Uganda's population reached 45.9 million in 2024, up from 34.6 million in 2014, reflecting an annual growth rate of 2.9%. Children (0-14 years) make up 48% of the total population, highlighting the country's youthful demographic. This has created immense pressure on social services, particularly in education and healthcare, as the country grapples with a high dependency ratio of 81%, down from 87% in 2014. The fertility rate remains high at 5.2 children per woman, contributing to a large dependent population. Meanwhile, the working-age group (15-64 years) now makes up 54% of the population, offering potential for economic growth if adequate jobs are created. However, the youth unemployment rate remains above 16.5%, and urbanization has increased significantly, with 25% of the population living in urban areas, up from 18% in 2014.

xi) **Strides have been made in lifting people out of poverty, however vulnerability remains high.** The headcount poverty rate decreased to 20.3% in FY2019/20 from 24.5% in FY2010/11, while the subsistence economy decreased to 39% in FY2022/23 from 69% in FY2010/11. Although there has been an increase in poverty in northern and western regions, several sub-regions have seen a reduction in the poverty rate including the Elgon, West Nile, and Bunyoro sub-regions which have experienced the most significant decrease in the poverty rate. Improvements in public services such as new roads, electricity, schools, and improved healthcare have also contributed to the decline in poverty. On the contrary, the northern part of the country has experienced an increase in poverty with the major drivers being drought, land fragmentation, poor land tenure system, and poor agronomical practices. Therefore, interventions directed towards increasing household incomes are critical for sustainably lifting people out of poverty and vulnerability.

xii) **Access to education at all levels increased over time.** Primary school net enrollment increased to 91% in FY 2019/20 from 82.3% in FY 2012/13. By FY2019/20, 81% of parishes had government aided schools. At the secondary level, enrolment has increased to 2 million learners in FY2018/19 from 1.2 million (2010) translating into a gross enrolment rate of 36.8% in FY2019/20 from 33.8% in FY2012/13 due to the introduction of USE and the secondary school per sub-county policy. However, this enrolment represents only 32% of students eligible to enroll in secondary. At the primary level, the dropout rate is still high, with only 40% of the learners who enroll in P.1 completing P.7. In addition, 20% (approx. 2,500,000) of primary school-age children are still left out of school. Whereas gender parity has been achieved at the primary level, it has not yet been achieved in secondary with girls making up 44% of the total enrolment. Less than 50% of all learners in primary and secondary fail to reach the expected proficiency levels in the gateway subjects (literacy and numeracy) and science subjects, respectively. This can potentially frustrate the government’s strategy for promoting a science-led economy. There is a need to minimize wastage (repetitions, dropouts, resource allocation, etc.) in both primary and secondary education levels and improve the quality of learning outcomes. At the tertiary level, enrolment has increased to 257,598 students in FY2021/22 from 183,985 students in FY2010/11 but skills mismatches prevail. In addition, science uptake remains low at higher education institutions with the current ratio of humanities to science courses being 2:5 against a target of 3:5. There is a need to improve the alignment of the tertiary admission and training to the National Human Resource Development agenda.

xiii) **The Government's restoration and tree planting policy is yielding results.** The forest cover as a percentage of the total land area increased to 13.3% in FY2021/22 from 10.7% in FY2010/11. The policy has enabled the leasing of degraded national forest reserves and promoted commercial forestry on private land. Nonetheless, there is a need to invest in sustainable forestry resources value addition and adopt policies that support commercial forestry. This will sustainably conserve the environment and make a business case for forestry.

xiv) **Internet penetration and usage have increased.** The percentage of the population subscribed to the Internet rose to 53% in 2022 from 1.8% in 2010. In addition, the National Backbone Infrastructure (NBI) has increased to 4,387 km in FY2023/24 from 1,380 km in FY2010/11. Despite these improvements, internet costs are relatively high in Uganda. There is a need to reduce the cost of the internet and increase last-mile connectivity.

1.2.2 Challenges

14. Despite the achievements registered, there are several limiting factors including:

i) **The proportion of the population outside the money economy is high.** The proportion of households in the subsistence economy stands at 33.1% (3.5 million), limiting their ability to generate income, access to essential social services, and participation in economic activities. These households lack surplus for trade or investment, which perpetuates the cycle of poverty and low human development. The exclusion from the money economy stunts economic transformation by shrinking markets and reducing the tax base. Additionally, they remain more vulnerable to economic shocks such as climate change and natural disasters due to lack of money. The exclusion leaves them reliant on low-productivity activities limiting their ability to add value and benefit from higher earnings. The continued exclusion of such a significant portion of the population exacerbates inequality and hinders equitable development.

ii) **Poor enterprise selection, leading to limited income generation and financial instability.** Due to lack of calculated approach to choosing economically viable activities (ekibaro), many households invest in low-return or unsustainable ventures without considering market demand, input costs, or profitability, leading to limited income generation and financial instability. At the household level, this results in wasted resources, perpetuated poverty, and reduced ability to afford essential services such as education, healthcare, and housing. Furthermore, this inefficiency undermines efforts to achieve economic transformation, industrialization, and the diversification needed for sustainable development, leaving both households and the country vulnerable to economic shocks.

iii) **Underutilization of productive assets, even among Ugandans participating in the money economy, is a significant challenge leading to sub-optimal returns and economic growth.** For instance, while 68% of Ugandans are engaged in agriculture, which contributes about 24% to GDP, the sector operates far below its potential due to inefficient use of arable land, limited mechanization, and poor market linkages. Most of the arable land is under subsistence farming involving low value agricultural commodities. This inefficiency is compounded by low adoption of improved agronomic practices such as irrigation, fertilizer use, and pesticides application, which exposes them to climate variability and limits year-round productivity. Labor productivity is low, with the majority of the working population trapped in low-value agriculture and informal sectors. Even where it has increased, the earnings are still below its contribution to production.

iv) **Extensive land fragmentation, land ownership challenges and distortions constrain production and undermine productivity**. Land fragmentation as a result of cultural practices has affected land use and agricultural practices. Small parcels due to fragmentation of land limit the adoption of modern farming techniques, such as mechanization and irrigation that require larger consolidated areas for cost-effectiveness. Moreover, the small plot sizes reduce economies of scale, making it difficult for farmers to compete in markets or engage in high-value commercial agriculture. Land use is further constrained by ownership challenges due to historical injustices that have created land conflicts & unlawful evictions. In addition, the land market is highly speculative leading to mispricing. These are compounded by inadequate land use planning, and weak enforcement of land use plans, leading to ineffective land use and acquisition of right of way for key public projects.

v) **Despite the existence of abundant resources (land, minerals, tourist attractions), there is limited value addition.** Except for gold, Uganda’s leading exports in FY2023/24 were in low-value commodities of coffee, maize, fish & its products, and tea. Regarding coffee, 6.12 million 60kg bags were exported fetching USD 1,143.8 million at a mere USD 3.11 per kg compared to a global average of about USD 5 per kg. A total of 562.3 million kgs of maize were exported fetching USD 172.5 million at a mere 31 cents per kg. Adding value to maize will result in high-value products such as maize flour, starch, ethanol, animal feeds, etc. Uganda exports low-value-added cobalt, iron & steel, and base metals. Further, the tourism potential is still untapped due to low-value addition. Adding value to the primary products will create additional jobs and revenue.

vi) **High transportation and electricity costs constrain the country's economic growth and competitiveness**. It is estimated that transport costs in East Africa, including Uganda, are among the highest globally, constituting up to 40% of the value of traded goods, compared to 8-12% in developed regions. This results in inflated costs and reduced profit margins for the private sector, with delays averaging 2-3 days per trip on major trade corridors such as the Northern Corridor. Such inefficiencies are particularly damaging for perishables like fresh produce, which accounts for 50% of agricultural exports, as spoilage leads to substantial financial losses. At the macroeconomic level, these transport bottlenecks inflate consumer prices, reduce Uganda's competitiveness in regional markets, and cost the economy an estimated 2% of GDP annually. In regards to electricity, the tariffs are still high. As of December, 2022, the cost of electricity to industrial establishment averaged US cents 10 kWh despite government efforts to reduce it to US cents 5 kWh.

vii) **The cost of capital (money) is relatively high and capital is short term in nature**. The high cost of capital, partly attributed to: speculative tendencies; oligopolistic nature of the banking sector; the high risk for many borrowers; government domestic borrowing that crowds out private sector credit; under capitalization of public banks, uncleared commercial cases; the low level of savings; high cost of operations by commercial banks; and application of a prime lending regime in a sub-prime market, increases the cost of production. Uganda's financial market is largely dominated by short-term capital that cannot finance long-term investments due to underdeveloped finance institutions. Interest rates on loans continue to be high and have consequently made doing business in Uganda expensive for the private sector. Interest rates averaged 19.1% in the last 5 years against a Central Bank Rate of 8.4%.

viii) **Transport infrastructure is less rationalized and largely biased towards roads (90%).** The overreliance on the road mode of transport has led to significant inefficiencies, as only about 25% of the roads are paved, leaving the majority of the network susceptible to wear and tear, especially during rainy seasons. The limited capacity of roads to handle increasing traffic volumes exacerbates congestion, particularly in urban centers like Kampala, where delays significantly inflate transportation costs and reduce productivity. Additionally, the poor state of rural feeder roads constrains agricultural market access, reducing farmer incomes and slowing rural development. There is inadequate investment in other modes of transport that has limited interoperability, increased the cost of transport, and limited access to areas with potential for tourism, minerals, oil, or agriculture among others. The poor maintenance and management have led to high rates of depreciation of the existing infrastructure and high cost of doing business. Furthermore, the existing infrastructure has been abused (exceeding axle loads) and vandalized. The lack of diversity the transport modes limits the interoperability within the transport system, increased cost of transport, reduced safety of passengers and cargo, increases maintenance costs, and makes enforcement of the relevant infrastructure laws and regulations expensive.

ix) **Limited internal and regional markets and the persistence of non-tariff barriers (NTBs) significantly hinder Uganda's economic growth and trade potential**. Uganda’s export was dominated by the East African Community (EAC) region totaling $2.1 billion (47.9%) in 2022 compared to Middle East, 15.8%; EU, 14.4%; Asia, 13.7%; Rest of Africa, 4.6%; and other Europe, 1.4%. Uganda has failed to exploit the largest potential at the continental level (AfCFTA) in sugar products, palm oil, meat, pharmaceuticals, milk, and fish. In addition, Uganda’s utilization of some negotiated preferential markets is limited both in volume and quality. Some of the outstanding bottlenecks to the exploitation of the available markets include; low production and value addition to the required products, the failure to meet standards, non-tariff barriers (NTBs), and technical barriers to trade (TBTs).

x) **Uganda is heavily reliant on rain-fed agriculture with limited irrigation.** This reliance makes the economy highly vulnerable to climate variability, as erratic rainfall patterns, droughts, and floods frequently disrupt farming cycles, leading to reduced crop yields, livestock productivity, and food insecurity. Seasonal farming driven by rainfall limits agricultural productivity, constraining year-round cultivation and hampering the development of agro-industries that could boost GDP. Rain-fed systems are increasingly unsustainable exacerbating food insecurity undermining efforts to commercialize agriculture.

xi) **Investment in and use of Science, Technology, and Innovation (STI) is still low to generate the required momentum for value addition, industrialization, and socio-economic transformation.** The inadequate STI infrastructure stifles research and development, resulting in slow technological advancements limiting productivity and competitiveness of priority growth areas. There is a shortage of high-level R&D personnel and the ratio of STEM to Humanities graduates has stagnated at 2:5. There is also a significant mismatch between the skills developed at formal institutions and the needs of the STI sector. Further, the pass rate of science subjects at the O-level is less than 50%, leading to low enrolment in related disciplines at higher levels. Relatedly, deficiencies in equipment and capacity limit access to STI resources across the country. Further, the inadequacies in STI investment impede the adoption of cost-effective solutions in the delivery of social services. Insufficient investment in STI has contributed to the brain drain of skilled professionals to regions where investment in innovation and technology is more robust. Environmental sustainability efforts are also compromised due to the lack of innovative solutions to manage natural resources and mitigate climate change impacts. Several innovations stagnate at the prototype stage without reaching full-scale commercialization. The level of appreciation of the STI ecosystem is low with inadequate coordination among academia, industry, and Government. Further, weak management and enforcement of Intellectual Property Rights (IPR) constrain technology transfer, development, commercialization, and access to external markets. Investors in STI are deterred by perceived risks and uncertain returns associated with innovative products, making it difficult for them to access necessary capital. Relatedly, the high cost of research, development, and commercialization poses significant barriers.

xii) **Domestic revenue generation is inadequate to finance the implementation of development plans.** Domestic revenue is low, averaging 13.7% of GDP since FY2021/22, supporting only 52.6% of the national budget in FY2023/24. Consequently, the debt-to-GDP ratio has increased to 46.9% in FY2022/23 from 34.6% in FY2017/18, raising concerns about debt sustainability, especially with rising repayment obligations that limit fiscal space for critical development priorities. Efforts to increase domestic revenue, such as the Domestic Revenue Mobilization Strategy have been undertaken, however, slow implementation has hindered their impact. Additionally, innovative financing sources such as climate financing, Islamic financing, and diaspora bonds have not been fully leveraged. The low tax revenue averaging 12.7% of GDP since FY2021/22, continues to put pressure on deficit financing which has worsened Uganda's debt position.

xiii) **Weak, uncompetitive, and largely informal private sector.** Uganda's private sector is largely dominated by informal micro, small, and medium enterprises (MSMEs), 95% of which collapse within the first year. Those that survive remain small-scale and informal. The MSMEs account for 90% of the private sector and contribute 80% of manufactured output, 75% of GDP, and 90% of non-farm employment. These MSMEs are uncompetitive due to lack of access to and high cost of credit, limited access to appropriate technology, high cost and unreliability of electricity, high cost of logistics and regulatory compliance, limited access to markets, and a weak framework for business incubation. In addition, the accumulation of domestic arrears (Shs. 2.7 trillion in FY2022/23) and the inefficiencies within the judiciary in clearing commercial cases (Shs. 7 trillion locked up in courts) have undermined the growth of some enterprises.

xiv) **High cost of public sector management and weak coordination & administration undermine effective implementation of development interventions.** Public sector management and administration in Uganda is affected by weak enforcement of policy, legal, and regulatory frameworks; weak institutional structures and systems; bloated public administration; weak civil society and civic participation; inadequate data and information; inadequate standards, and weak infrastructure. This is worsened by the recentralization of some of the functions of local governments, slow implementation of public projects characterized by lengthy and cumbersome procurement cycles, and ineffective follow-up and accountability. In addition, rampant corruption has affected service delivery and resulted in annual financial losses to the tune of Shs. 9.1 trillion. To strengthen the public sector, there is a need to fast-track the rationalization of the entire government & expenditure and better coordinate anti-corruption efforts.

xv) **In particular, the high cost of public administration is crowding out the development expenditure needed to drive faster economic transformation.** Over the past decade, the cost of public administration has risen significantly without a proportionate increase in domestic resources to finance it, reducing the available fiscal space. This increase has been financed by crowding out development expenditure which has reduced significantly over the period. The cost of public administration, including both wage and non-wage expenditures has escalated significantly, rising from 64% of the discretionary resources (total budget excluding debt and external financing) in FY2015/16 to 79% in 2024/25. This surge is largely driven by the everchanging government policy on wages for certain professions without the accompanying resources to finance them. For example, in FY2022/23 government increased wages for scientists (Shs. 577.7 billion), security officers (Shs. 914.3 billion) and the rest of public service (Shs. 1.1 trillion), which are going to be carried over to the NDPIV period. Additional wage enhancements are expected over the NDPIV period, which will consist of 75% enhancement for security officers amounting to Shs. 4.7 trillion; and enhancement for the rest of public service amounting to Shs. 4.5 trillion. Similarly, the rising cost of the legislature is not accompanied by a corresponding revenue growth, which has worsened the situation. The cost of running the legislature has increased significantly since FY2015/16 from Shs. 371.3 billion to Shs. 977.8 billion, with a 12% annual average growth. Due to the rising cost of public administration, resources allocated to development projects have shrunk from 40% to a mere 22% over the same period, as a share of the total budget and increasing pressure on debt financing. As a result, debt and debt service obligations have grown from 28% to 47% of the total budget. If this trend continues, development expenditures will be crowded out by 2036.

xvi) **Efforts have been made to strengthen Uganda's brand in key destination markets, however, marketing and promotion efforts are limited, ad hoc, and disjointed.** The positive developments and opportunities that Uganda has in stock have not been effectively & consistently communicated and signaled to the world. In addition, the brand of Uganda has been inadequately developed. The GKMA as the face of the country remains unattractive and suffers from high congestion, long travel times, pollution, and petty crimes, all of which affect the marketability of the country. Irresponsible reporting by some sections of the media and social media activists provides the wrong signals that paint a negative picture of Uganda to the world. There is a need to improve the image of the country by among others popularizing the "*Pearl of Africa"* brand, leveraging the image of the GKMA, promoting patriotism, and increasing connectivity to the rest of the country.

xvii) **Uganda's human capital is inadequately developed and utilized to achieve national goals.** Uganda's human capital index is low (0.38) implying that children born today are likely to reach only 38% of their full productive potential. The vocational education curriculum is deemed not dynamic enough to respond to the needs of the labour market. The higher education curriculum does not sufficiently incorporate practical work-based training as a form of preparation for the world of work and as a result, employers spend significant amounts of work time and resources re-orienting, re-tooling, and training new entrants into the job market. For the adequately skilled labour force, the economy has not created enough jobs to absorb them. Therefore, there is a need to align training with the needs of the world of work and mainstream employment across programmes.

xviii) **Uganda has made strides in planning for its human resources; however, this is still in its infancy.** The first National Human Resource Development Plan (2020/21-2024/25) was developed to facilitate the identification and bridging of skills gaps in the country, especially in emerging industries such as oil and gas. Although its implementation has been slow, being the first of its kind, several tertiary institutions have started aligning their academic training programs with the Plan. For example, Makerere University over the past three years has tremendously increased enrolment is Science, Technology, Engineering, and Mathematics (STEM) disciplines while Kyambogo University has phased out 27 diploma programs to streamline with national priorities. Makerere University has phased out several programs and has also developed new ones to align with the current national human resource planning agenda. However, there is a continued disparity between the skills acquired through education and training and the actual demands of the labour market leading to high graduate unemployment, underemployment, and an inadequate supply of qualified professionals in critical fields. Besides, the persistent limited access to quality education at all levels necessitates continuous educational reforms to ensure that the country's workforce remains competitive domestically, regionally, and internationally. The skills gaps are exacerbated by the limited institutionalization of human resource planning. The majority of MDAs and LGs do not have their respective human resource plans as stipulated in the National Human Resource Development Planning Framework, which has resulted in a disjointed approach to workforce development, failing to address specific regional and sectoral human resources needs.

xix) **Fiscal indiscipline undermines effective planning, budgeting, implementation, and realization of results.** Budget credibility has been undermined by frequent supplementary requests which have increased from 6.7% of the budget in FY2017/18 to 9.7% in FY2021/22, which is way above the required threshold of 3%. The supplementary requirements create a need for additional funding which has worsened the debt problem. The debt to GDP ratio has subsequently increased from 41% in FY2019/20 to 47.9% in 2023/24, this has increased debt servicing to revenue to 40.3% in FY2024/25 from 27.7% in FY2021/22. This limits the available fiscal space to finance development since a lot of revenue is instead spent on debt servicing. In addition, the stock of domestic arrears, estimated at Shs. 2.9 trillion in FY2021/22 is still high.

xx) **There has been slow implementation of core projects, hindering the realization of the planned results.** By FY2022/23, only 7 (10%) out of the 69 core projects were on schedule while 25 (3%) were behind schedule. The poor implementation of core projects is due to: delayed disbursement of funds for externally financed projects; change of project scope from approved plans without approval from the Development Committee (DC); weakness in project management skills; delayed acquisition right of way for infrastructure projects; contracting incompetent companies coupled with weak contract management and supervision; over-commitment of the budget demonstrated by the multi-year commitments statement; and commencing projects without feasibility studies. These challenges have led to low contribution of borrowed resources to growth and development, cost and time overruns, constrained fiscal space, increase in commitment fees, and crowding of public service delivery. There is a need to conduct capacity building for project development & management; institute performance-based contracts; and establish project implementation units in government ministries.

xxi) **Industrial parks and free zones are inadequately developed to drive the value addition and industrialization agenda.** By FY2020/21, only 6 out of the 26 proposed industrial parks were operational but below international standards. Free zones in different parts of the country aimed at promoting exports are not fully developed either. This is due to the uncoordinated development of industrial parks and free zones. There is therefore a need to ensure coordinated development of industrial parks and free zones.

xxii) **High vulnerability to climate change and unsustainable use of natural resources pose a threat to sustainable development.** The country has suffered from increased frequency and intensity of extreme weather vagaries (floods, landslides, and drought) due to climate change. The unsustainable use of natural resources, including deforestation and land-use changes, has led to a reduction in the forest cover from 24% in 1990 to 13.3% in 2022. The national wetland cover reduced from 15% to 13% in 2019. Failure to mitigate climatic change and unsustainable use of natural resources will affect productivity in priority growth areas, food security, and safety of people & their property.

xxiii) **Limited collaboration and weak follow-up on implementation have hindered the realization of development results.** Coordination and follow-up of the implementation of the NDPs has been a persistent challenge. Follow-up (M&E) reports are usually prepared at the end of the implementation when inefficiencies have already occurred and do not inform corrective action. The institutional framework reforms that were expected to improve the implementation of the NDPs were not fully executed. Further, the Office of the Prime Minister (OPM) is so stretched to undertake its monitoring role due to engagement in implementation. Also, there is weak collaboration among development actors. This limits the coordination and achievement of anticipated development results. The silo approach towards service delivery has persisted thereby limiting the intended purpose of the programme approach to national development planning.

xxiv) **Regional imbalances have remained despite the various affirmative programmes and projects implemented by the Government.** The regional disparities are due to high-income poverty levels; limited and underdeveloped regional value chains; inadequate economic and social infrastructure and services; and weak public sector management in some local governments. Headcount poverty has reduced to 20.3% in FY2019/20 from 21.4 in FY2016/17. Poverty eradication efforts have yielded mixed results across regions. Poverty levels in Bugisu, West Nile, Busoga, Bukedi, and Teso have reduced while Kigezi, Lango, Acholi, and Karamoja have registered increases in poverty. Even in some areas where poverty is reduced such as Busoga, Bukedi, and Teso, it remains above the national average. Vulnerability is high in all regions evidenced by the inconsistent patterns in the poverty rates. Regions such as Lango, Acholi, and Karamoja experienced a decline in poverty rates in 2016/17, but it increased in FY2019/20.

1.2.3 Lessons Learnt

15. Based on the review of the country's performance during the past thirteen years of implementing the NDPs, several lessons have been learned and considered while developing NDPIV. These include:

    i) **Peace, security, and macroeconomic stability are prerequisites for effective implementation of the plans.** A peaceful and secure environment attracts both domestic and foreign investment, investors seek stable locations where their assets and operations are secure. Macroeconomic stability, characterized by low inflation, and stable exchange rates provides a predictable environment for economic growth. It helps to attract foreign direct investment which is crucial for funding development. In addition, a stable macroeconomic environment allows businesses to effectively plan and invest in long-term projects;

    ii) **Macro-level interventions need to be accompanied by planned micro-level household-based planning and interventions with deliberate mobilization of the households to engage in market-oriented production to achieve a fully monetized economy**. While macro-level interventions create the broader framework for economic growth and development, they must be complemented by planned micro-level, household-based interventions. Through the improved implementation of the Parish Development Model (PDM), this approach should be amplified to ensure that macro-level policies are responsive to local needs, support inclusive growth, and promote sustainability by empowering households to engage in market-oriented production;

iii) **Good Plans in themselves without collaborative implementation, sustained follow up, and accountability for results do not guarantee the realization of the desired change.** While well-crafted development plans are a crucial starting point, they must be accompanied by collaborative implementation, sustained follow-up, and accountability for results to ensure successful outcomes. These elements create a supportive framework that encourages ongoing engagement, adaptation, and transparency, which ultimately increase the likelihood to achieve the planned outcomes;

iv) **Prioritization and sequencing of development interventions are key for generating impact from the constrained resource envelope.** These ensure that the most critical needs are addressed first, thus generating the greatest impact from the constrained resources. This avoids spreading resources thinly across too many projects, leading to more meaningful outcomes. By focusing on high-priority areas, planners will achieve better results with fewer resources, optimizing the cost-effectiveness of development interventions;

v) **Without political will and commitment, implementation of key development reforms is untenable.** Political commitment helps secure the necessary resources including financial, human, and institutional, which are required to implement reforms. Political leaders who prioritize development can influence budget allocations and attract external funding to support key projects. In addition, political will is essential for enacting the laws and regulations needed for implementing development reforms. Committed political leaders can drive legislative changes and policy frameworks that support and sustain reform efforts during development planning and implementation;

vi) **Building domestic resilience is critical for insulating the economy from shocks.** For example, the economy has weathered many shocks including global fuel price shocks, weather vagaries, geopolitical tensions, and COVID-19. This is mainly attributed to prudent macroeconomic management, food security, and political stability;

vii) **Availability of financing alone without readiness for implementation is not sufficient in the delivery of development plans.** While financing is an essential component of development planning, it is not sufficient on its own. Readiness for project implementation involves a combination of capacity, strategic planning, strong institutional frameworks, stakeholder engagement, operational systems, leadership, and monitoring and evaluation. Without these, even well-funded development plans can struggle to achieve their intended outcomes.

viii) **The programme approach is the most feasible way to solving implementation challenges to ensure effective delivery of results.** This approach enhances synergies, coordination, sequencing, linkage of resources to results, and improves governance. Therefore, there is a need to perfect and refine the programme approach during NDPIV. In particular, allocating resources at programme level and promoting change management will enhance the effectiveness in implementing the programme approach better.

1.3 How NDPIV is different from NDPIII

16. **Consolidation of development gains.** Consolidation of development gains will include maintenance of the development base in terms of peace, security and macro-economic stability.

17. **The Plan adopts a prioritization logic which emphasizes value addition in productive areas with great potential to drive socio-economic transformation.** Cognizant of the resource constraint, only key flagship projects and investments with the potential to propel the economy to a double-digit growth, coupled with generation of new jobs and incomes for the majority of Ugandans. These include: value addition in agriculture, tourism, minerals, and oil & gas; STI; railway; GKMA; AFCON; PDM; and infrastructure maintenance. These are expected to anchor the growth and act as catalyst of other sectors, leading to double-digit growth and the qualitative leap towards the much-desired socio-economic transformation. Therefore, discretionary resources of the budget will only finance the NDPIV priority areas for inclusive growth, employment, and wealth creation.

18. **Consolidating the programme approach to ensure effective delivery of results.** The programme approach to planning and budgeting was introduced during the NDPIII, however, its implementation has been slow. This Plan will strengthen the programme approach to completely eliminate the silo approach to service delivery so as to maximize the impact of development programmes. The formulation of PIAPs has been decentralized to strengthen ownership and development of programme strategies, objectives, priorities, results and budgets. Further, a change management strategy for the programme approach is going to be fully rolled out as well as strengthening inter and intra programme coordination and follow-up.

19. **More focus on implementation, follow-up, monitoring and evaluation**. Achievement of desired results in previous plans has been largely undermined by implementation gaps and weak follow-up & monitoring. The implementation gaps are largely explained by limited coordination among implementing agencies and lack of readiness of priority projects. In this Plan, measures have been put in place to improve and galvanize collaborative follow-up for better performance and results. Furthermore, measures will be taken to improve the quality and readiness of high-impact projects in the Public Investment Plan (PIP) by enhancing the governance of project selection, enforcing competitive processes for contractors, and minimizing costs associated with lengthy and cumbersome procurement processes.

20. **The Plan is more fiscally realistic.** Unlike in the NDPIII, during the development of the NDPIV, Indicative Planning Figures (IPF) were introduced to ensure that all the proposed interventions are fiscally feasible. The Plan also emphasizes the need to explore innovative financing options to reduce reliance on the already stretched traditional sources. In addition,

the Plan emphasizes revenue generation activities across all programmes to ensure increased revenue during the implementation period.

21. **Leveraging STI to provide new sources of growth.** During NDPIV, STI will be integrated into all other sectors of the economy. This is expected to increase productivity and competitiveness in these sectors, driving growth and employment.

22. **Increase efficiency of public service delivery.** Performance management through development and enforcement of service and service delivery standards will be enhanced. In addition, pay reforms will be implemented in the public service to enhance talent management and retention. Efficiency gains resulting from rationalization of entities, adoption of e-governance services is expected to free up additional resources for investments in priority growth areas.

1.4 Approach and formulation process of the NDPIV

23. In line with the comprehensive National Development Planning Framework, the fourth National Development Plan (2025/26 to 2029/30) has been developed through a highly participatory and consultative process. All key stakeholders in the public and private sector, as well as non-state actors have been consulted at various stages of production of the Plan.

24. The NDPIV production process has entailed various stages including: (i) production of the Strategic Direction for NDPIV; (ii) production of Programme Development Plans/Programme Implementation Action Plans (PIAPs) aligned to the NDP IV strategic Direction; (iii) stakeholder consultations and engagements; (iv) macroeconomic analysis and modelling; (v) drafting of NDP IV and attendant Human Resource Plans; (vi) Validation and production of final Draft Plans; (vii) Approval and Launch of the Plans; and (viii) Post launch dissemination and compliance assessments.

1.5 Structure of the Plan

25. This Plan is organized into five parts, namely:

    i) **Part One: Background.** This comprises the performance under previous plans and development context. After Chapter 1, Chapter 2 provides the global and regional development context within which NDPIV will be implemented.
    ii) **Part Two: Strategic Focus, Macroeconomic Strategy, and Financing.** This section comprises Chapters 3-5. Chapter 3 presents the strategic direction of the Plan. Chapter 4 presents the macroeconomic strategy, and chapter 5 presents the financing strategy of the Plan.
    iii) **Part Three: Development programmes and implementation strategy.** Chapters 6 to 23 present the detailed articulation of the National Development Programmes.

iv) **Part Four: Costing and Financing, Risk Management, Implementation Coordination, Monitoring and Evaluation.** This consists of costing and financing, risk management, and implementation coordination, monitoring, and evaluation strategy that will be used for coordinating implementation and assessing the success of implementing the Plan and for realizing the country's developmental aspirations.

v) **Part Five: Annexes and list of appendices.** The appendices include the: Programme Implementation Action Plans (PIAPs); National Human Resource Development Plan (NHRDP); and Projects Investment Plan (PIP).

CHAPTER 2: GLOBAL AND REGIONAL DEVELOPMENT CONTEXT

2.1 Introduction

26. The global and regional outlook present both opportunities and threats that inform the NDPIV strategic focus.

27. **The global economy is stabilizing but at a slow pace.** Having grown at 6.3% in 2021, the global economy slowed to 3.0% in 2022 and 2.6% in 2023. It is projected to stabilize at about 2.7% in the next three years, mainly driven by expansion in trade and investment. However, this growth is below the pre-COVID-19 period rate of 3.1%. The stability is also attributed to the emerging economies that grew at 3.2% in 2023 and are projected to stabilize at 4% between 2024 and 2026. The growth in the Middle East, one of Uganda's trading partners, is volatile at 5.9% in 2022, 1.5% in 2023, and is projected to grow at 2.8% in 2024 and 4.2% in 2025. Growth in Sub-Saharan African has been steady at about 3.8% in 2022 and 3.0% in 2023 and is projected to rise to 4.0% by 2026, driven by relatively higher growth in East Africa, projected to rise to 5.7% in 2026 from 4.8% in 2023.

28. **Despite global inflation rates trending towards desired levels, persistent challenges in commodity markets pose inflationary risks.** Global headline inflation is projected to decline to an annual average of 5.9% in 2024 and 4.5% in 2025 from 6.8% in 2023. By the end of 2026, the global inflation rate is anticipated to converge to an average of 2.8%, reflecting ongoing tight monetary policies and moderated wage increases. However, the volatility in commodity markets poses inflationary risks. Commodity prices are projected to remain above pre-pandemic levels despite experiencing a slight downturn in 2024 and 2025. Energy prices are expected to decline by 3% in 2024, with a further decline of 4% in 2025, as a result of notably lower prices of natural gas and coal offsetting higher oil prices. Agricultural prices are also expected to ease during the same period owing to improved supply conditions, while metal prices are set to remain steady in 2024, before rising slightly in 2025. Although the price forecasts assume no further conflict escalation, risks remain tilted to the upside, on account of the possibility of heightened geopolitical tension in the Middle East and Europe and their possible impact on commodity prices. These dynamics highlight the risks to sustained economic recovery arising from fluctuating commodity prices and inflationary pressures globally.

29. **Global trade is projected to pick up amidst low intra-African trade.** Global service trade at USD7.5 trillion in 2023 grew by 9%. However, global merchandize trade at USD 31 trillion in 2023 contracted by 3% from the record high 2022. The decline was mainly due to the contraction in merchandise trade driven by reduced demand in developed nations and trade weaknesses within East Asia and Latin American regions. A combination of factors negatively affected merchandize trade, including lower primary commodity prices, exchange rate fluctuations, reduced trade volumes and trade policy uncertainties mainly driven by

geopolitical rivalries. Nonetheless, world merchandise trade is expected to recover, growing at 2.6% in 2024 and 3.5% in 2025. The recovery is attributed to the easing in inflationary pressures and improved real household incomes. Africa accounts for only 3% of global trade in 2023. In addition, intra-African trade is still low, at 14.9% (USD192.2 billion) in 2023 compared to Asia and Europe, where intra-regional trade is estimated at 55% and 70%, respectively. The opportunity for this Plan lies more within the EAC and AfCFTA which form a bigger market for the value addition agenda.

30. **Global supply chains are shifting towards efficient, sustainable, and low-cost markets.** Supply chains have become increasingly globalized, with companies relying on intricate networks spanning multiple countries and continents. This includes diversifying away from an overdependence on China, reshoring back to Europe and the US, and using additional regional locations to create more flexibility and less overexposure to any individual market. A shift towards regionalization and near shoring is gaining traction as companies seek to mitigate risks associated with lengthy and complex global supply chains. In addition, the ongoing geopolitical tensions and trade disputes have introduced uncertainties, compelling organizations to reassess and adapt their supply chain strategies. The emergence of collaborative partnerships between suppliers, manufacturers, and logistics providers has become a strategic imperative for building resilience and flexibility. African countries, including Uganda have to strategically position themselves to take advantage of this emerging trend by adopting efficient production systems and leveraging the AfCFTA.

31. **Net financial flows to developing countries have declined over the last decade**. Net financial transfers to developing countries from major donors have fallen from their peak of USD225 billion in 2014 to 51 billion in 2022. The flows are projected to fall by over 100 billion by the end of 2025. More than one in five Emerging Market and Developing Economies (EMDEs) paid more to service their debt in 2022 than they received in external financing. This could rise to more than one in three by 2025. Given that 40% of EMDEs are highly susceptible to debt-related stress, fiscal consolidation is expected in most of the EMDEs in order to help governments, rebuild fiscal space. Global foreign direct investment decreased to USD1.3 trillion in 2024 from USD 1.6 trillion in 2021 due to the economic slowdown, rising geopolitical tensions, industrial policies, supply chain diversification, and the reshape in FDI patterns. FDI inflows to developing countries fell by 7% (USD 868 billion). Specifically, inflows to Africa declined by 3% to USD 53 billion in 2023, while inflows to East Africa declined to USD 11.2 billion from USD 11.5 billion in 2022. This plan is cognizant of this constrained financial environment and its ramifications.

32. **The global population is expected to continue growing, albeit at a slower pace.** The global population increased to 8.1 billion in 2024 from 7.7 billion in 2011, with Asia accounting for 60%, of which 2.8 billion people are from India and China. It is projected to increase to 8.5 billion by 2030, with most of the growth taking place in low and lower middle-income

countries. Twenty five percent (25%) of the global population is under 15 years and 10% is over 65 years. Africa has the youngest population with 40% (480 million) of its population below 15 years and less than 3% above 65 years. The large number of young people in Africa who will reach adulthood in the coming years and have children of their own means that the region will play a central role in shaping the size and distribution of the world's population over the coming decade. Africa's middle-class has tripled over the last 30 years to 313 million (34%) of which 29.3 million are in East Africa. This population demographic has informed the market and human capital strategy of this Plan.

33. **The emerging regional and global trends provide both opportunities to be harnessed and challenges to be mitigated in the NDPIV.** The projected stabilization of the global economic growth, rising global trade, and the rising global population present opportunities for accelerating socio-economic transformation by increasing the country's earnings from the global economy. Harnessing these opportunities will require strategic investment in value addition to the country's resources in agriculture, tourism, minerals, and oil & gas. The evolving trend in global supply chain presents both opportunities and threats. To leverage the opportunities, Uganda has to be a cost-effective and more reliable player in the global economy. This requires increased application of STI in production processes. The decline in net financial flows presents a threat to the country's development agenda, calling for diversification of financing options. Similarly, global inflationary pressures pose a significant risk.

2.2 Key Development Opportunities

34. **Increased demand for value-added products in regional markets.** Considering that intra-African trade is still low at 14.9%, there is potential to increase value-added exports within the EAC and AfCFTA. In addition, Intra-African trade is set to increase as a result of: a growing population; growing economies within EAC and Africa at large; a rising middle class; removal of trade barriers; and expansion of cross border transport and infrastructure corridors. To benefit from this potential, the NDPIV will prioritize value addition to the abundant opportunities including agriculture, tourism, minerals and oil & gas. This will enable the country increase its share of manufactured products in merchandise exports beyond the current 15%.

35. **The recovery of the global tourism and travel industry.** The number of international tourists around the world was 1.3 billion in 2023, valued at USD1.9 trillion, an increase of 34% from 2022. However, Uganda only received 1.5 million in-bound tourists valued at USD 4.0 billion (0.02% of the global industry value). The recovery of the global tourism industry presents Uganda with an opportunity to rebrand and position itself to increase its foreign exchange earnings. To harness this opportunity, value addition to the existing tourism products, product diversification & development, and aggressive marketing of Uganda in key

tourism source markets is necessary. In particular, game parks should be prioritized to ensure that tourists stay longer and spend more.

36. **Increased global demand for critical minerals mainly driven by the clean energy transition**. The market for critical minerals including lithium, nickel, cobalt, graphite and rare earth doubled in five years reaching USD320 billion in 2022 with annual revenues projected to reach USD400 billion. Africa will witness a 65% increase in market value by 2050. This soaring demand is driven by decarbonization; global energy transition; electrification; renewable energy technologies; and global demand for battery storage. This presents opportunities for intensified mineral based industrial development in Uganda which is endowed with untapped commercially viable quantities of Gold, Copper, Iron Ore, Cobalt, Lithium, Uranium, Limestone, Rare Minerals, Mable and Sand.

37. **The global oil prices are rebounding**. Crude oil prices increased to USD80.8 per barrel in 2023 from USD69.1 in 2021, largely driven by the global economic growth, global supply management measures, and the persistently high geopolitical tensions in the Middle East and Ukraine. This provides an opportunity for Uganda to accelerate its oil production and subsequently develop downstream petrochemical industry. Having signed the Final Investment Decision, there is a need to fast-track the development of the relevant infrastructure for extracting, refining, and storage of crude oil.

38. **Increased application of STI and the knowledge economy to provide new sources of growth, enhance value addition and productivity**. The rapidly changing technologies owing to the recent wave of innovations, are key drivers of mass production and trade of high value goods and services, particularly in developed economies. Africa is a net importer of high value goods and services due to the limited application of STI in value addition of the existing raw materials, less sophisticated production lines, low efficiency, and production of similar goods and services. STI presents an opportunity for Uganda to tap into new sources of growth, add value, and differentiate its exports to regional and global markets, increase efficiency and productivity. New potential sources of growth that can be leveraged using STI include; the pathogen economy, the pharmaceutical industries, the automobile industry, a bio-economy, circular economy, among others.

39. **Increased innovative financing options**. Despite the reduction in concessional funding owing to the several shocks such as global financial crisis of 2008, the Eurozone crises of 2011, the COVID-19 crises of 2020-2022, there is an evolution of new innovative financing including; climate finance, PPPs, remittances, diaspora bonds, green bonds, infrastructure bonds, capital markets, crowdfunding, pension funds, among others. There is a need to explore and exploit these funding options to finance high-impact priority investments that will accelerate the economy.

2.3 Strategic Risks

40. **The constrained global financial environment**. The world is witnessing a reduction in concessional funding as developed nations retain funding for their own domestic consumption. In addition, global public debt rose to USD97 trillion in 2023 an increase of 6% from the previous year. This situation is attributed to several shocks such as global financial crisis of 2008, the Eurozone crises of 2011, the COVID-19 crises of 2020-2022 which have led to a slowdown and uneven performance of the global economy. Consequently, developing countries are grappling with an international financial architecture which is limiting access to affordable development finance and pushing them to borrow more from more volatile and expensive sources. These conditions pose a threat to the public and the private sectors' ability to raise capital. There is a need to fast track alternative options for raising capital for funding critical investments to support economic growth and development.

41. **Elevated trade policy uncertainty.** In recent years, trade policy uncertainty has become a notable feature within the global trading system. This uncertainty arising from several geopolitical developments, protectionism policies (tariffs and trade barriers imposed by major economies), and shifting alliances has disrupted traditional trade patterns and created an unpredictable environment for international trade. For instance, trade tensions among the major economies have led to a series of tariffs and counter tariffs, which have affected global supply chains, causing volatility in international markets. In addition, COVID-19 exposed vulnerabilities in global supply chains prompting countries to adopt inward looking trade policies which could potentially reduce the interconnectedness of the global trading system and increase uncertainty for businesses and investors. This trend towards economic nationalism, coupled with ongoing geopolitical tensions are likely to persist in the foreseeable future and pose a threat to Uganda's value addition and export agenda under NDPIV.

42. **Security threats and cross border conflicts**. Regional security threats, such as terrorism, armed conflicts, civil unrest in the great lakes region has given rise to heightened risk of humanitarian crisis leading to an influx of refugees, and disruption of economic activities. For instance, the fragile security situation in South Sudan, Sudan, Eastern Democratic Republic of Congo, as well as the resurgence of Somali pirates threatens regional peace and stability leading to increased expenditure on security operations. Uganda is currently the third biggest refugee hosting country in the world and largest in Africa. The country's comprehensive refugee response policy constrains the available natural, & technical and financial resources, fuels conflicts between refugees and host communities, and has led to a state of statelessness.

43. **Increased climate change and environmental challenges.** The world is in the midst of a triple planetary crisis of climate change, biodiversity loss, and pollution. The global economy is consuming ever more natural resources. It is estimated that by 2060, resource extraction would rise by 60% of the 2020 levels. Global estimates show that, warming of 2-3°C might

result in more than 150 million additional cases of malaria worldwide. Although developing countries like Uganda produce only one-tenth of the global emissions, they are the most heavily impacted by climate change with their vulnerable populations suffering damaging outcomes in terms of health, food and water, education and others. Extreme weather events like droughts, floods, and changing rainfall patterns have significantly impacted agricultural productivity and food security. There is a need for mitigation measures against the adverse effects of environmental degradation in all investments in the anchor sectors.

2.4 Regional and international development obligations

44. NDPIV is cognizant of Uganda's commitments in regional and international development obligations. Uganda is a signatory to the Agenda 2030 for Sustainable Development which consists of a set of 17 goals and attendant targets. Agenda 2030 embodies the aspirations of a world that is more equal, more prosperous, more peaceful and just as well as mindful of the planet. Uganda adopted and localized these goals and targets and mainstreamed them into NDPII. In the period since the drafting of the NDPII, the East African Community and the African Union also finalized the development of regional development plans, namely the EAC Vision 2050 and Africa Agenda 2063. The NDPIV programmes incorporate the country's regional and international development commitments and also address the thirteen (13) strategic bottlenecks to Africa's socio-economic development. The bottlenecks have been integrated into the African Peer Review Mechanism (APRM).

2.5 Emerging issues

45. The regional and global development environment is conducive to accelerating growth. To take full advantage of the opportunities and mitigate the strategic risks, the country needs to:

- i) Position herself to tap into the opportunities offered by the changing global supply chain by improving efficiency, and reducing the factor costs;
- ii) Prioritize intra-Africa trade particularly, the EAC and AfCFTA, as the primary markets for the value addition agenda to take advantage of the expanding middle class;
- iii) Prudently utilize the available financial resources through enforcement of fiscal discipline, improving prioritization & sequencing of public investment interventions, minimizing supplementary budgets, reducing administrative costs of running government, and accumulation of domestic arrears;
- iv) Increase domestic revenue generation given the constrained global and regional financial environment to realize development aspirations;
- v) Invest in value addition of the abundant opportunities to benefit from increased demand for value-added products in global, continental, and regional markets;
- vi) Add value to the existing tourism products, diversify & develop more products, and undertake evidence-based marketing in key tourism source markets to harness the opportunities provided by the recovery of the global tourism and travel industry;

vii) Intensify mineral-based industrial development of selected minerals to harness the increasing global demand;

viii) Fast-track the development of the relevant infrastructure for extracting, refining, and storage of crude oil to tap into the rebounding oil prices;

ix) Invest in STI to create new potential sources of growth, value addition, and product sophistication and enhance efficiency & productivity;

x) Explore and exploit the new innovative financing options to finance high-impact priority investments;

xi) Invest in commercial diplomacy and economic intelligence to mitigate global trade policy uncertainty;

xii) Invest in cross-border security to mitigate security threats caused by cross-border conflicts; and

xiii) Promote the sustainable use of natural resources and mitigate against risks that come with climate change vulnerability, biodiversity loss, and pollution.

PART II: THE STRATEGIC FOCUS, MACROECONOMIC STRATEGY AND FINANCING

CHAPTER 3: STRATEGIC DIRECTION

3.1 Introduction

46. **This Plan is developed to respond to unique circumstances and exploit available opportunities to fast-track the realization of the desired socio-economic transformation aspirations towards delivering the qualitative leap and full monetization of the economy**. The strategic direction of the Plan is informed by; government priorities, the country's socioeconomic and political history, the Uganda Vision 2040, lessons learned from the implementation of the previous plans, stakeholder engagements, Agenda 2030, Africa Agenda 2063, EAC Vision 2050, and 10-fold growth strategy. The strategic direction articulates; the goal, theme, objectives, prioritization logic, development strategies, delivery approaches, and high-impact projects.

3.2 The NDPIV Goal and Theme

47. The goal of the Plan is to **"*Achieve higher household incomes, full monetization of the economy, and employment for sustainable socio-economic transformation*".** This goal will be achieved under the theme **"*Sustainable Industrialization for Inclusive Growth, Employment, and Wealth Creation*".**

48. **In pursuit of the goal, the Plan is focused on exploiting high-impact growth areas that will propel a double-digit growth over the NDPIV period and subsequently contribute to 10-fold growth of the economy over the 15 years leading up to 2040.** The government will aggressively invest in improving the country's competitiveness by prioritizing development opportunities and ensuring a rapid uptake of STI in the identified growth areas. These areas include: (i) Full monetization of the economy; (ii) Value addition and industrialization; (iii) agriculture, (iv) tourism development; (v) mineral-based industrial development; (vi) ICT; and (vii) Finance. The justification for these key growth and development opportunities in driving double-digit growth in the next five years is illustrated below:

    i) Full monetization of the economy through the various wealth creation initiatives including Parish Development Model (PDM) and EMYOOGA;
    ii) **Value addition and industrialization are the most appropriate drivers of the double-digit growth and the qualitative leap that should be ushered in during the Plan period.** Additionally, work in the prioritized industrial value chains must be underpinned by a supportive STI ecosystem including requisite infrastructure; specialized human resources; policy & regulation; and investment. In particular,

sustainable industrialization is critical for latecomer developers and structural transformation by enhancing productivity in the pursuit of accelerated rates of inclusive economic growth, employment, and wealth creation. Industry can be the anchor to the development of other sectors such as urbanization, infrastructure, social services in education and health, tourism, agriculture, science and technology, etc. Beyond the direct benefits that value addition and industry provide, they create fruitful linkages and opportunities for all the other aspects of the economy. For example, industry requires input bases and markets like agriculture and minerals to thrive. It also requires educated, skilled, and healthy people as productive labour and market. Further industry, can't survive in a dilapidated environment and therefore requires built and well-maintained infrastructure and services, and ICT among others, to thrive. For countries like Uganda, value addition and industrialization are key solutions to address demographic pressures by creating productive jobs;

iii) **Agriculture is the dominant source of livelihood for the majority of Ugandans.** Value addition to agriculture is the foundation for agro-industrialization which is critical for sustainable wealth & job creation and expansion of manufactured exports. The backward and forward linkages between agriculture and industry are essential in sustainably transforming the agro-value chains required to ensure a sufficient supply of raw materials for domestic industries to drive the import replacement strategy and mass exports. In addition, agriculture guarantees food and nutrition security. In addition, to achieve the value-addition agenda, productivity in agriculture should be enhanced to ensure a stable supply of raw materials;

iv) **Mineral development is central to facilitating resource-based industrialization.** Minerals have intrinsic and practical value as an input in manufacturing, boosting the supply of locally manufactured products like cement, iron & steel, and fertilizers. Value addition to minerals contributes to the economy by increasing export earnings and job creation. In addition, minerals contribute to the diversification of energy sources and technology which serve high-technology-intensive companies and automotive manufacturing;

v) **Tourism generates revenue and employment with high return on investment which are needed to drive the desired industrialization.** Tourism has wide multiplier effects by developing primary and secondary industries to support tourism e.g., agriculture, manufacturing, transport, and services. Tourism is important for increasing forex earnings, creating jobs, and alleviating poverty. It contributes towards inclusive growth and development of a country by: bringing numerous economic value and benefits and, helping in building the country's brand value, image, and identity. It is important to reduce poverty through employment and diversification of livelihood opportunities. This in turn provides additional income or contributes to a reduction in the vulnerability of the poor by increasing the range of economic opportunities available to individuals and households;

vi) **Finance is a business, job creator, and a vehicle for sustainable financing of public and private investments, especially for industrialization.** As a business, financial services ranging from banking to microfinance, insurance, capital markets, and fintechs drive profits through lending, investment, and innovative financial products. These services fuel industrial growth by providing the capital needed for businesses to expand, invest in new technologies, and enter new markets. Simultaneously, the finance sector creates jobs directly within banks, insurance companies, and fintech firms, and indirectly by enabling the growth of other industries. Access to finance empowers small and medium enterprises (SMEs) and startups, fostering entrepreneurship and industrial diversification. By supporting sustainable business practices and green financing, the finance sector also ensures that industrial growth in Uganda aligns with environmental and social sustainability goals; and

vii) **Science, Technology, and Innovation (STI) including ICT**; are enablers for the knowledge economy which is key for creating new sources of growth and informing solutions to the challenges of poverty and underdevelopment through increasing value for sale and how we live and do business. In particular, STI is a key driver of economic growth and a prime source of competition in the global marketplace with at least 50% of growth attributable to it. Uganda is richly endowed and can achieve transformation within a shorter timeline with a well-implemented National Science, Technology, and Innovation System. On the other hand, ICT has a huge potential to improve national productivity by making Government and business enterprises more efficient, effective, and globally competitive. ICT as an industry has the potential to produce low volume-high value goods to boost the country's exports and foreign exchange earnings in addition to employment and wealth creation. There is potential to improve the availability of digital content and e-products, automation of Government processes and inter-agency connectivity, innovation, bridging the gap between industry and academia, and commercialization of research and development.

3.3 The NDPIV strategic objectives

49. The Plan will be delivered through five strategic objectives:

i) Sustainably increase production, productivity, and value addition in agriculture, minerals, oil & gas, tourism, ICT, and financial services;
ii) Enhance human capital development along the entire life cycle;
iii) Support the private sector to drive growth and create jobs;
iv) Build and maintain strategic sustainable infrastructure in transport, housing, energy, water, industry, and ICT; and
v) Strengthen good governance, security, and the role of the state in development.

3.4 The NDPIV Prioritization Logic

50. **Accelerated economic growth will arise from increased factor productivity resulting from efficient utilization of the factors of production**. The optimum choice for a production process depends on addressing distortions that affect the cost, availability, efficiency, and effectiveness of each factor of production i.e. land, capital, labour, and entrepreneurship. There is a need to address the land use & management, acquisition of right of way, and multiple land ownership challenges. Relatedly, there is a need to increase labour productivity and transition the working population from low-value to high-value sectors. In addition, the speculative tendencies & oligopolistic nature of the banking sector and the application of a prime lending regime in a sub-prime market, need to be addressed. to reduce the cost of capital. Further, the inculcation of the entrepreneurship mindset through business development services, financial literacy, innovation hubs, and incubation centers enables the survival and growth of enterprises. Addressing distortions in the factor of production will, therefore, improve efficiency and resource utilization, thereby enhancing production capacity and enabling greater value addition needed to achieve double-digit growth.

51. **The Plan emphasizes value addition as a main strategy for accelerating growth, employment, and wealth creation to achieve higher household incomes and full monetization.** This framework provides a basis for prioritization across programmes to create the requisite linkages for value addition. It describes the critical interlinkages among the inputs, processes, outputs, and support systems for value addition.

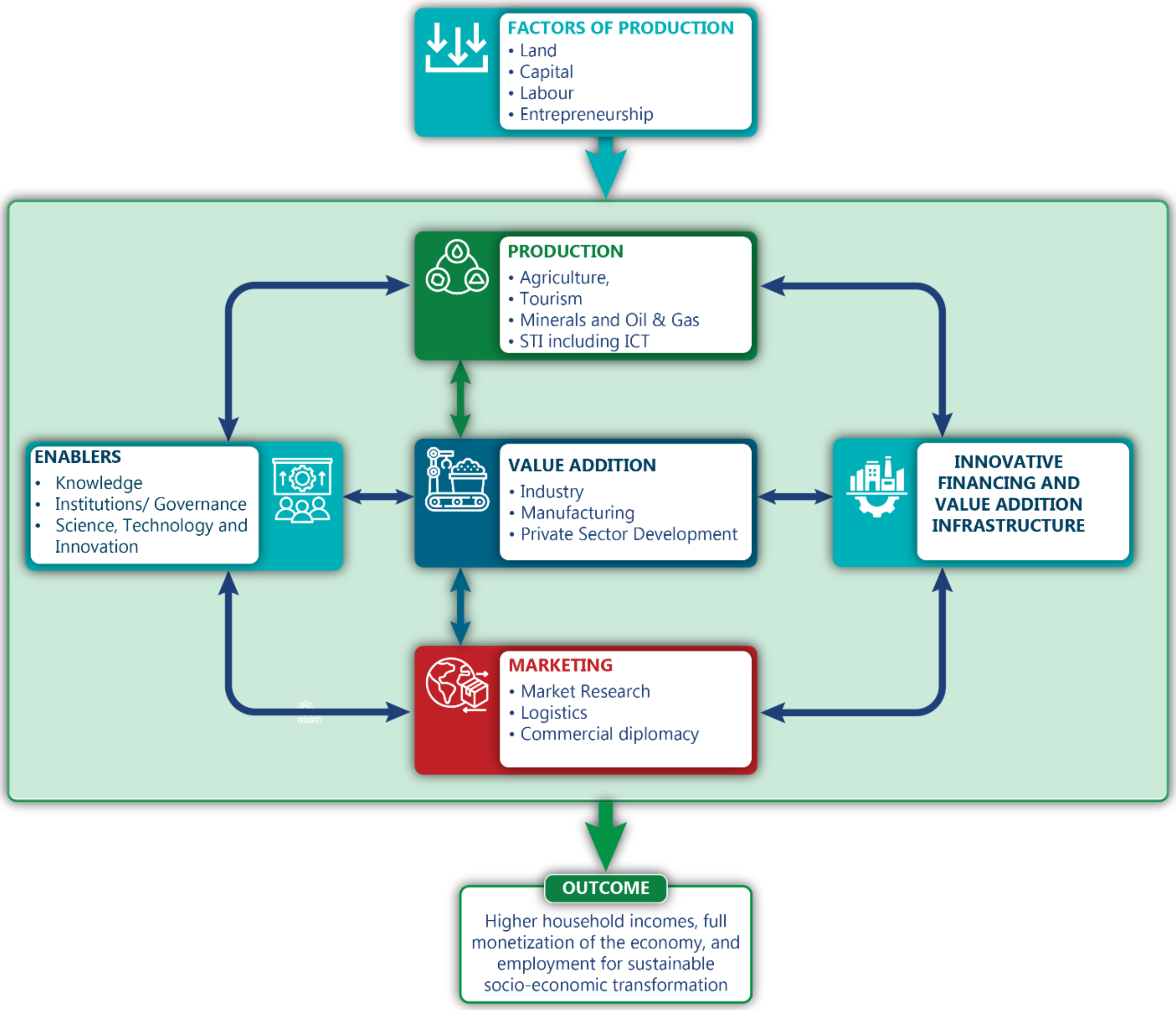
52. **Agriculture, minerals, oil & gas, and tourism are prioritized as anchors for value addition**. Production in these areas needs to be sustained while increasing productivity to provide a reliable source of inputs. Value addition incentivizes production and productivity in the priority areas and transforms primary inputs into higher-value outputs that can effectively compete in the regional and international markets. This requires strategic investment in industrial processes, manufacturing, and private-sector development.

53. **For the value addition agenda to be successful, there is a need for deliberate efforts to increase market access and support systems.** Effective marketing (market research, commercial diplomacy, etc.), logistics, and compliance with standards are key for ensuring the efficient delivery of value-added products to markets. Furthermore, the support system including knowledge enhancement, incentives, good governance & institutional support, integration of STI, innovative financing, and requisite infrastructure (industrial parks, etc.) are essential for sustaining value-addition efforts.

54. By focusing on value addition, Uganda aims to harness its resources more effectively, boost competitiveness in the regional and global markets, and drive sustainable inclusive economic growth. This integrated approach is designed to create jobs, improve standards of living, and promote inclusive development across the country, underpinned by peace, security, and

macroeconomic stability. In addition, it is expected that with value addition the additional resources necessary to finance government's commitment to the universal goals towards provision of education, health, water, among others will be raised.

Figure 3.1: The NDPIV Prioritization Logic



55. **After addressing the distortions in the factors of production market, the Plan prioritizes the following in line with the prioritization logic:**

i) Value addition to Agriculture (including fisheries and commercial forestry), Tourism, Minerals, Oil & Gas (petrochemical industry i.e., refinery and Kabalega industry park);

ii) Infrastructure to support value addition (energy generation, transmission, & distribution, STI parks, special export processing zones, industrial parks, and EACOP) and maintenance of existing infrastructure;

iii) The knowledge economy (STI) including ICT. STI interventions include vaccine development & KIIRA Motors and the integration of STI across the key growth industrial value chains for increasing productivity. ICT includes digitalizing Government services such as E-government and integration of systems to make government efficient and more productive;
iv) Railways (SGR and MGR) to connect Uganda to regional and external markets and ease the cost of doing business;
v) Reduction of the cost of credit, especially through the Uganda Development Bank (UDB) and Uganda Development Corporation (UDC);
vi) Full monetization of the economy through the various wealth creation initiatives including Parish Development Model (PDM) and EMYOOGA;
vii) Cultural & creative industry and sports (including hosting of the African Cup of Nations (AFCON);
viii) Cost-effective solutions to deliver and consolidate gains in social services such as; preventive health care, primary schools for parishes without a primary school and secondary schools for sub-counties without a secondary school;
ix) Greater Kampala Metropolitan Area (GKMA). GKMA is to be positioned as Uganda's major logistical hub, a catalyst and springboard for increasing productivity in all aspects of the economy including FDI, tourism, efficient public services, and highly improved quality of life; and
x) Revenue generation. Full implementation of DRMS and seeking innovative revenue generation across all government entities.

3.5 Key Development Results

56. Targets to be achieved during the five-year implementation period of the NDPIV have been set within the context of the 10-fold growth strategy and Vision 2040 targets. In this regard, the Plan is expected to deliver the following results.

Table 3.1: Key performance indicators for NDPIV

Goal & Strategic Objectives	Result	Development Indicators	Baseline FY2023/24	Target FY29/30	Target Vision 2040
Goal: Achieve higher household incomes, full monetization of the economy, and employment for sustainable socio-economic transformation.	Higher Household incomes	Real GDP growth rate	6.1	10.6	8.22
		Income per capita (USD)	1,146	2,008	9500
		Population below the poverty line	20.3	15.51	5
		Gini Coefficient	0.413	0.37	0.32
		Average monthly nominal household income (UGX)	200,000	578,635	2,737,566
		Adjusted Net Savings (Current UGX, Billion)	36,281	52,729	
		Adjusted Net National Income (Current UGX, Billion)	171,802	250,246	
	Employment	Share of the working population (%)	74.4	87.2	94
		Labor force participation rate (%)	48	68.6	80

Goal & Strategic Objectives	Result	Development Indicators	Baseline FY2023/24	Target FY29/30	Target Vision 2040
		Share of national labor force employed less subsistence (%)	67	74.1	71
		Employment population ratio	43	59.8	95
		Labor productivity (GDP per worker, USD)-Agriculture	1,048	2,096	6,790
		Labor productivity (GDP per worker, USD)-Industry	7,542	13,866	24,820
		Labor productivity (GDP per worker, USD)-Services	3,150	5,791	25,513
	Full monetisation of the economy	Proportion of households in subsistence economy	33	27	
		Proportion of the population using mobile banking services	64	71	100
		Remittances as a share of GDP	2.63	3.13	5.13
		Savings-to-GDP Ratio	21.41	21.76	23.18
		Financial sector inclusion-formal	68	74	100
Strategic Objective 1: Sustainably increase production, productivity and value addition in agriculture, industry, tourism, minerals, oil & gas, ICT and financial services	increased production volumes and earnings by firms and households in agriculture, tourism, minerals, and oil & gas, ICT and financial services	1.1.1 Contribution to GDP-Agriculture	24	24.80	10.40
		1.1.2 Contribution to GDP-Tourism	5.5	6.5	
		1.1.3 Contribution to GDP-ICT	1.54	2.20	
		1.1.4 Contribution to GDP-Mining	1.90	2.40	
		1.1.5 Contribution to GDP-Oil & Gas	0	5.5	
		1.1.6 Contribution to GDP-Services	42.6	47.3	58.20
		1.1.7 Contribution to GDP-Industry	26.12	28.54	31.40
		1.1.8 Contribution to GDP-Financial Services	2.75	3.46	
		1.2 Merchandise export to GDP ratio	76	79.0	
Strategic Objective 2: Enhance human capital development along the entire life cycle	Improved learning outcomes and acquired skills relevant to the job market	2.1.1 Literacy rates	70	76.9	90
		2.1.2 Numeracy rates	65	71.8	85
		2.1.3a Survival rates Primary	34.2	55	95
		2.1.3b Survival rates Secondary	60	68	85
		2.1.4 Quality adjusted learning Years of Schooling (QALYS)	4.5	5.96	8
		2.1.5 Employers satisfied with the TVET training (%)	50	75	75
		2.1.6 Sports development index	0.3	0.389	
	Improved quality of life	2.2.1 Maternal Mortality Rate/ 100,000	189	73.08	15
		2.2.2 Infant Mortality Rate/ 1000	34	15.79	4
		2.2.3 U5 Mortality Rate/ 1000	46	25.77	8
		2.3.4 Neo-natal mortality Rate (per 1000)	22	20	
		2.2.5a Total Fertility Rate-Total	4.5	6.24	
		2.2.5b Total Fertility Rate-Urban	4.3	5.16	
		2.2.5c Total Fertility Rate-Rural	5.4	6.48	
		2.2.6 Population growth rate	2.9	2.7	2.4
		2.2.7 Life expectancy at birth in year	63.7	70.9	85
		2.2.8 Human Development Index	0.55	0.66	0.9
	Improved access to services for social care, protection,	2.3.1a Access to safe water supply-Rural	67	80.4	
		2.3.1b Access to safe water supply-Urban	72.8	87.36	
		2.3.2 Sanitation coverage	79.5	95.4	

Goal & Strategic Objectives	Result	Development Indicators	Baseline FY2023/24	Target FY29/30	Target Vision 2040
	safety and equity	2.3.3 Hygiene (Hand washing)	36	43.2	
		2.3.4 Proportion of population accessing social insurance (%)	5	6	
		2.3.5 Universal Health insurance coverage	1.1	2.4	
		2.3.6 Percent of population receiving direct income support	0.5	0.6	
		2.3.7 Proportion of eligible population with access to social care services	2.1	2.52	
		2.3.8 Gender Inequality	0.527	0.632	
		2.3.9 proportion of the population that is food secure	60	83.96	
Strategic Objective 3: Strengthen private sector capacity to drive growth and create jobs	Conducive environment for private sector investment is created, firms are competitive and meet national, regional and international standards	3.1.1 Manufactured Exports as a percentage of total exports	26.5	33.63	50
		3.1.2 Exports as a percentage of GDP	12.1	18.7	
		3.1.3 Growth in Private sector credit	2.5	10.0	
		3.1.4 Tax GDP ratio	12.9	15.7	25
		3.1.5 Savings as a percentage of GDP	20.54	25.0	35
		3.1.6 competitiveness index	48.94	58.73	
		3..1.7 Gross capital formation as a percentage of GDP	22.4	26.88	
		3.1.8 Percentage of the informal sector	80	67.07	50
	Youth, women and other categories of the labour force are empowered, innovate, develop enterprises and create decent jobs	3.2.1 Youth unemployment	13	10.4	
		3.2.2 No of Annual Jobs created	39,511	47,413	
Strategic Objective 4: Build and maintain strategic sustainable infrastructure in transport, housing, energy, water, industry and ICT	Improved transport services, connectivity and cost effectiveness usability	4.1.1 Proportion of paved national roads in fair to good condition	95.7	98	
		4.1.2 Proportion of paved national roads in fair to good condition	73	90	
		4.1.3 Percentage of District roads in fair to good conditions	69	83	
		4.1.4 Travel time within GKMA (min/km)	3.75	3	
		4.2.1 Volume of international air passenger traffic	1,932,094	3,011,942	
		4.2.2 Volume of domestic air passenger traffic	23,019	45,361	
		4.2.3 Freight Cargo traffic in tonnes (air) - Exported	38,453	78,506	
		4.2.4 Freight Cargo traffic in tonnes (air) - Imported	17,148	28,286	
		4.3.1 Freight Cargo on Lake Victoria (tonnes)	52,599	953,252	
		4.3.2 Passenger traffic by water %	2	2.6	
		4.4.1 Freight cargo by rail %	3	25	
		4.4.2 Travel time on railway network (in hours) - Mombasa-Kampala	20	15	
		4.4.3 Travel time on railway network (in hours) - Mwanza- Dar-Kampala	12	10	
	Increased access to clean, reliable, affordable and	4.5.1 Electricity consumption per capita	218	578	3668
		4.5.2 proportion of the population Households with access to electricity	58	100	80
		4.6.1 Cost of electricity- Residential	23	18.4	

Goal & Strategic Objectives	Result	Development Indicators	Baseline FY2023/24	Target FY29/30	Target Vision 2040
	climate smart energies	4.6.2 Cost of electricity-Industrial large	9.8	7.84	
		4.6.3 Cost of electricity-Industrial -Extra Large	8	6.4	
		4.6.4 Cost of electricity-Commercial	17	13.6	
		4.7 Energy generation capacity (MW)	2047	15,420	52,000
	Increased land under irrigation	4.8 Cumulative WfP Storage capacity (million m3)	47.88	57.456	
	Increased penetration and usage of ICT services	4.9 Unit cost of internet (USD)	35	25	
		4.10 Internet penetration rate	67	77	
Strategic Objective 5: Strengthen good governance, security and the role of the state in development	Increased Peace, Stability, accountability and civic participation	5.1 Global Peace index (scale 1 to 5)	2.3	2.76	
		5.2. Crime rate (per 100,000)	502	100	
		5.3 Corruption Perception Index (100 being the best)	26	31.2	
		5.4 Democratic index	4.94	5.928	
	Increased government effectiveness, access to public goods & services, and good image	5.5 Government Effectiveness index	0.57	0.684	
		5.6 Foreign Direct Investment (percent of GDP)	2.8	3.7	
		5.7 Level of public satisfaction with service delivery	60	68.3	

Source: National Planning Authority, 2024

3.6 Development Strategies

57. To achieve the objectives of the Plan, the following development strategies will be pursued during the Plan period.

3.6.1 Increase production and productivity in agriculture, minerals, oil & gas, tourism, ICT and financial services

58. **Increasing production and productivity is critical as a means of supplying the required inputs for value addition and industrialization leading to increased household incomes and jobs.** The focus is on ensuring consistent production of required volumes and quality products through the adoption of improved technologies and integration of STI in the production processes. Agriculture production will be increased through mechanization, improved inputs, and proper agronomical practices. For tourism, the focus is on improving, developing, and diversifying tourism products. Regarding ICT, the Plan aims to harness ICT as an economic opportunity and an avenue for improving national productivity by making Government and business enterprises more effective & efficient, and globally competitive. Financial services are to be scaled up through innovations that will result in diverse financial products and services that will act as avenues for mobilizing resources for both public and private investments. For minerals, the focus will be on the exploration and extraction of commercially viable minerals, reducing informality, and improving the technology of artisan miners.

3.6.2 Increase value addition in agriculture, tourism, minerals, and oil & gas

59. **Value addition is the basis for producing high-value products that fetch high prices leading to increased export revenues and job creation.** The focus is on the provision of the necessary incentives including; infrastructure and easing the cost of value addition (e.g. electricity costs). For minerals, this includes increasing beneficiation centres. Regarding, oil & gas, key investment areas include the oil refinery, EACOP as well as the petrochemical industry. For tourism, this involves harnessing STI and ICT for increased tourism productivity, grading of accommodation facilities increasing the stock and quality of infrastructure to improve tourist experiences and connectivity. Regarding agriculture, value addition will entail increased washing facilities, post-harvest handling, storage, and agro-processing facilities. For some strategic areas, Public-Private Partnerships (PPPs) will be leveraged for value addition.

3.6.3 Promote sustainable use and management of natural resources

60. **Sustainable use of natural resources is critical for sustained production, productivity, and value addition.** The focus is on restoring, conserving as well as strengthening sustainable management of natural resources such as land, forests, water, and wetlands. These efforts are expected to contribute to the mitigation of the effects of climate change. The strategy also prioritizes investments in sustainable technologies and green initiatives. These are expected to foster innovation and create job opportunities in sectors such as renewable energy, conservation, and environmentally friendly practices.

3.6.4 Improve access, equity, and quality of education at all levels

61. **Adequately trained and skilled human resource is critical for harnessing production and productivity.** In addition, quality education is a catalyst for innovation and progress as it fosters research and technological advancements which spill over to other key sectors of the economy. The focus is on consolidating gains in access at all levels, education infrastructure particularly targeting underserved sub-counties and parishes, maintenance of existing education infrastructure, strengthening the human resource capacity, and addressing the gaps, and harmonizing policy & regulatory environment. These investments are expected to lead to more equality in society, more decent employment, and increased life expectancy.

3.6.5 Improve access, equity, and quality of healthcare at all levels

62. **Health is a key component of a productive workforce.** To this end, the focus is on the prevention, control, and elimination of communicable and non-communicable diseases by implementing measures that increase access and utilization of health services (such as universal health insurance). In addition, the health infrastructure is to be strengthened through rehabilitation, equipping, and construction of new facilities. These measures are expected to reduce morbidity and mortality rates and enhance the overall quality of life of the population.

3.6.6 Enhance access to Water, Sanitation, and Hygiene (WASH)

63. **WASH bolsters the preventive approach to healthcare prioritized in this Plan.** The focus is on improving access to water and sewerage services, safely managed sanitation, and improving maintenance and functionality of WASH facilities. Ensuring access to WASH will reduce the disease burden, leading to a reduction in household expenditure on health, an improvement in the productivity of human capital, and an increase in household incomes.

3.6.7 Promote community mobilization and mindset change

64. **Community mobilization and mindset change are critical for increasing the impact of wealth creation and other government development initiatives.** It enhances participation in the local economy through access and optimal utilization of government wealth creation programmes and socio-economic services**.** Emphasis will be on leveraging education, health, cultural & creative arts, the media, family, cultural, and religious institutions to mobilize the population to participate in local economic and national development. This will ensure that resources in wealth creation initiatives (PDM, EMYOOGA) generate higher returns to the households.

3.6.8 Expand social protection safety nets

65. **Social protection is at the core of tackling vulnerability to various shocks including income loss, natural disasters, and illnesses**. The focus is on mainstreaming the various affirmative action schemes in the regional development programme & PDM and scaling up access to SAGE. This is expected to strengthen the resilience of communities against shocks, leading to inclusive social development.

3.6.9 Institutionalize human resource planning and promote industry-driven skilling and training

66. **Human resource planning is critical in reducing unemployment, minimizing skills mismatches, and enhancing economic growth.** The focus is on identifying the current and future human resource and skills requirements of Uganda's labour market. In this Plan, the Human Resource gaps have been classified into 3 categories as illustrated in Table 4.2. Addressing these human resource gaps and promoting industry-driven skilling and training necessitates targeted and deliberate strategic interventions. For fields facing acute shortages without local training capacity, there is a need to: provide targeted government scholarships for students to study abroad in critical fields, with a requirement for them to return and work in Uganda upon completion; establish new specialized training programs at local institutions through partnerships with international universities and specialized organizations, and developing centers of excellence in collaboration with international institutions to train specialized professionals in areas where shortages exist. For fields where local training is available but still experiencing acute and moderate shortages, there is a need to: centralize

admissions into tertiary institutions to ensure a coordinated approach to filling the skills gaps; establish clear selection criteria for students entering courses that address identified shortages; realign government scholarships and student loan schemes to prioritize fields with significant shortages; implement performance-based criteria for scholarships and loans linking support to academic excellence and a commitment to serve in high-demand fields; expand student loan coverage to include vocational and technical training in areas with shortages; and increase institutional intake capacity for programs in critical fields. For fields where there is an excess supply of workforce relative to available jobs, there is a need to: reevaluate and adjust educational programs in oversubscribed fields, reduce admissions in areas with limited job opportunities and prioritize emerging, high-demand fields, and also provide reskilling and upskilling opportunities for graduates in excess supply fields. This strategy will ensure that individuals are equipped with the relevant skills to contribute to various sectors of the economy, leading to increased productivity, competitiveness, and overall economic development.

Table 3.2: Definition of Human Resource Gaps

Color theme	Nomenclature	Description
	Acute Shortages	Acute shortages are those education and skills fields for which the country faces critical shortages and there is limited or no training available at in the country. The demand for such educational qualifications and skills exceeds current supply and, in some cases, the demand is projected to rise sharply
	Moderate Shortages	Moderate shortages are those education and skills fields for which training is available in the country but supply is less than the current and projected Human Resource needs. The demand for such skills exists and increasing, but current and projected supply may not be adequate the meet future demands.
	Excess Supply	The Excess Supplies are education and skills fields which are relevant to national development, but the current and projected supply exceeds the current and projected demand. The country has an overabundance of workers with such qualifications/skill relative to the demand in the labor market.

Source: NPA, 2024

3.6.10 Promote empowerment and livelihood programmes for special interest groups

67. **Inclusive development is a cornerstone for a peaceful and progressive society.** Special interest groups (youth, women, children, elder persons, and People with Disabilities (PWDs)) require affirmative action to increase access to social services and economic opportunities. The focus is on increasing access to economic resources and social protection by special interest groups. Additionally, the strategy emphasizes mainstreaming and implementing gender, equity, disability, climate change, and other inclusion aspects in all policy, legal & institutional mechanisms, programs, and projects. This will ensure that these groups are provided with the necessary tools, opportunities, and support systems to participate

meaningfully in decision-making processes, and leadership roles and contribute to socio-economic development.

3.6.11 Promote decent employment opportunities

68. **Decent employment opportunities are very crucial for ensuring inclusive growth, social equity, and enhancing individual welfare.** Jobs that provide adequate social protection and opportunities for personal & professional development significantly contribute to reducing poverty levels and enhancing economic stability. The focus is on strengthening the implementation of existing employment policies, laws & strategies, and enforcement of labor standards.

3.6.12 Leverage the culture and creative economy for employment and domestic resource mobilization

69. **The culture and creative industry in Uganda have significant potential for job creation and economic growth.** The creative industry entails a wide range of activities, including visual arts, performing arts, literature, music, film, fashion, design, and crafts. The industry offers a diverse range of job opportunities including but not limited to artists, musicians, writers, designers, actors, filmmakers, fashion designers, and photographers. Uganda's rich cultural heritage has the potential to attract tourists interested in experiencing traditional music, dance, crafts, and other cultural expressions. This can lead to job creation in community tourism, including tour guides, event organizers, and hospitality services. To harness the potential of the culture and creative economy, the strategy focuses on providing a conducive environment (such as the fast-tracking revision and enforcement of the copyright & neighboring rights act of 2006 and the enabling infrastructure) for the creative industry to thrive.

3.6.13 Promote games and sports

70. **Games and sports are key in promoting the national image, health, employment & revenue, cohesion, and entertainment.** To harness the potential of games and sports, the focus is on promoting a comprehensive and coordinated approach to investment in sports infrastructure, sponsorship, talent identification & development, capacity enhancement of local coaches, and promotion of sports at all levels. The strategy will leverage the opportunity of hosting international tournaments such as the AFCON 2027 to not only develop the sports infrastructure but also market Uganda as a tourist destination.

3.6.14 Promote nutrition for all

71. **Nutrition security is crucial for human development and socio-economic transformation.** A well-nourished population is less susceptible to health risks thereby reducing healthcare costs and enhancing productivity and education attainment. The focus is on nutritional education, establishment & expansion of social safety nets like food assistance

programs for the vulnerable population, and enhancing consumption of diverse fortified diets while ensuring reliable access to safe and nutritious food.

3.6.15 Reduce the cost of doing business

72. **Reducing the cost of doing business is vital for Uganda's competitiveness.** The lower cost of doing business not only attracts foreign investment but also fosters a vibrant small and medium enterprise sector which is crucial for employment creation. The focus is on improving the transport infrastructure (in particular railway), reducing the cost of credit by capitalizing UDB, UDC, and other public banks, improving the regulatory environment, and reducing energy tariffs.

3.6.16 Promote local content particularly for MSMEs

73. **Promoting local content enhances skills and expertise, technology transfer, and job creation.** Fostering local content supports the growth of indigenous industries and businesses by providing them with stable markets and opportunities to expand, contributing to a more diversified and resilient economy. The focus will be on fast-tracking local content legislation and building the capacity of local firms to meaningfully participate in public procurement and contractual undertakings, particularly in transport, energy, and extractives.

3.6.17 Increase competitiveness in regional and international markets

74. **Improving the competitiveness will enable the country to access new and exploit existing markets leading to more foreign exchange earnings and improved terms of trade.** Access to new and diverse markets will provide insurance against economic shocks. Improving the competitiveness of Ugandan exports will result in higher-quality products, more efficient production processes, and lower costs. The focus is on enhancing value-addition processes, adopting advanced technologies, and strengthening infrastructure such as transport and digital connectivity to smoothen trade and reduce the cost of doing business. In addition, the country will leverage regional integration (EAC and AfCFTA), and economic and commercial diplomacy to negotiate targeted markets.

3.6.18 Strengthen public-private partnerships

75. **Public-private partnerships attract additional funding to facilitate faster accumulation of development infrastructure.** In addition, strengthening public-private partnerships brings innovation, modern technologies, and expertise to public projects; leads to knowledge and skills transfer; builds capacity; and ensures the long-term sustainability of projects. Focus is on providing the right motivation to protect the public interest while allowing investors to meet the return on the investment proportional to the risk they take. In addition, enhance the capacity and transparency of the public sector in identifying, appraising, negotiating, designing, structuring, contracting and closure of PPPs.

3.6.19 Inculcate the entrepreneurship mindset

76. **Entrepreneurship drives job creation and household incomes.** It also boosts productivity through innovation and competition. Additionally, entrepreneurship facilitates knowledge spillover from activities of existing firms to new and innovative ones. Promoting entrepreneurship empowers marginalized groups, such as women and youth, fostering social inclusion and self-reliance. The focus is on business development services, financial literacy, innovation hubs, and incubation centers.

3.6.20 Prioritize infrastructure maintenance

77. **Regular maintenance maximizes returns on public infrastructure investments.** Neglected infrastructure results in the degradation of assets leading to the greater cost of reconstruction over time, compromising the safety of users and quality of services. Infrastructure maintenance ensures the longevity and efficiency of the assets in transport, energy, water, ICT, hospitals, and schools. The focus is on prioritizing regularly scheduled maintenance of existing infrastructure, building capacity of the local construction industry, and climate-proofing of existing infrastructure.

3.6.21 Develop intermodal and seamless transport infrastructure

78. **Seamless intermodal transport infrastructure is essential for enhancing economic connectivity and efficiency.** It facilitates the efficient movement of goods and passengers between different modes of transport. This integration boosts both domestic and international trade by providing more reliable and faster routes. In addition, it supports regional integration and contributes to social inclusion by connecting remote and underserved areas with urban centers and economic hubs. The focus will be on implementing an integrated multi-modal transport hub consisting of the railway (SGR and MGR), water, air, and road transport.

3.6.22 Increase access to clean, reliable, and affordable energy

79. **Affordable and reliable clean energy is essential for industrialization, value addition, and competitiveness.** Additionally, it is an essential ingredient for all human activity including cooking, lighting, health, food production & storage, education, mineral extraction, and transportation. The focus is on ensuring sufficient generation and transmission to support value addition.

3.6.23 Increase access to reliable and affordable ICT services

80. **ICT plays a transformative role in boosting economic development.** Reliable and affordable ICT services enable digital entrepreneurship and improve efficiency in the productive sectors and provision of public services. ICT also enhances social inclusion by connecting remote and underserved communities, providing access to information and services and supporting education and skills development. The focus is on increasing

coverage & usage of ICT infrastructure & services, integrating ICT in government systems, reducing costs of digital products & services, and supporting ICT innovations (including business process outsourcing).

3.6.24 Leverage Urbanization for socio-economic Transformation

81. **Urbanization leads to substantial productivity gains supported by scale, density, and agglomeration.** The proximity of businesses and industries fosters knowledge spillovers and collaboration enhancing efficiency and encouraging the development of new products and services. Dense urban environments provide larger markets and reduce transaction costs making it easier for firms to access suppliers and customers. Additionally, urbanization attracts a diverse labour force offering a wide range of skills and expertise that can support various activities. These factors collectively create an environment conducive to economic growth, job creation, and improved living standards. To harness the opportunities presented by urbanization, the strategy focuses on closing infrastructure, social services, and regulatory gaps in GKMA and strengthening physical planning in other cities.

3.6.25 Strengthen the rule of law

82. The rule of law provides a stable and predictable environment for investment, economic growth, and social progress. It ensures that citizens have equal rights and opportunities and that their rights are protected. It also fosters trust in the government and institutions, which are essential for a functioning democracy. Focus will be on strengthening the judiciary, particularly the commercial court for timely disposal of cases to unlock the private capital locked up in the court system.

3.6.26 Consolidate and sustain peace and security

83. **Peace and security ensure an environment where businesses can thrive, and economic activities can expand without disruptions.** A peaceful and secure environment allows for uninterrupted delivery of goods and services which bolsters steady economic progress and provides certainty for long-term domestic & foreign investment. The focus will be on strengthening the capacity of the armed forces to keep peace, respond to security threats and emergencies, and contribute to national development.

3.6.27 Increase government investment and participation in strategic areas

84. **Public sector investment is crucial in areas of strategic importance which may not be attractive to the private sector.** Besides the provision of public goods, the Government will identify and invest in areas that are productive and strategic for national development. Such investments will unlock their potential hence attracting private-sector investments. The focus will be on investment in strategic areas such as the pathogen economy, pharmaceutical industry, automobile industry, extractives, and value addition to agricultural products. In

addition, government will support large-scale innovation and technology transfer in strategic sectors.

3.6.28 Improve capacity and accountability for implementation of public programmes

85. **Transparency and accountability ensure that public resources are used for the intended purposes and in the most efficient way**. Accountability for results is crucial for ensuring that implementing institutions meet their obligations and deliver the respective programme targets. Focus will be on sustainable procurement; eliminating middlemen from bulk procurement & developing a common price list for goods and services across government; implementing a robust and results-based performance management system; digitization of government services at all levels; developing, updating, & enforcing service delivery standards; developing & implementing a national payment system to achieve a cashless economy; and developing and utilizing community management information systems.

3.6.29 Leverage capacity of the non-state actors to implement the national plan

86. **Non-state actors including NGOs, community-based organizations, private sector entities, and development partners play a key role in national development.** They provide financial and non-financial (such as expertise and innovative technologies) resources that complement national resources during Plan implementation. Additionally, non-state actors are important in mobilizing communities and ensuring that initiatives are locally grounded and sustainable. Collaborating with these organizations diversifies the resource pool and enhances accountability and transparency, leading to more robust and inclusive development outcomes. The focus will be on strengthening the operational mechanism of the National Partnership Forum and partnership in planning, budgeting, implementation, monitoring, & evaluation of development programmes.

3.6.30 Increase civic participation in the development process, decision-making, and democratic governance

87. **Citizen participation in development is essential for ownership and successful implementation of government programs.** It enhances the effectiveness and legitimacy of development efforts by incorporating diverse perspectives into the planning and implementation of initiatives. Empowerment of communities will enhance the demand for accountability from and engagement of duty bearers. The focus will be on using the PDM framework to revitalize community accountability platforms (Barazas) & community service schemes *("Bulungi bwa'nsi");* operationalization of the parish management information system; and national youth service scheme.

3.6.31 Improve international relations and commercial diplomacy

88. **Commercial diplomacy is crucial for strategically positioning the country to leverage regional and global opportunities.** Effective commercial diplomacy helps promote national

interests to access markets, attract FDI, address trade barriers, and navigate regional & international regulatory frameworks. Strong international relations bolster Uganda's credibility and attractiveness as a reliable partner which encourages sustainable investments and technology transfer. The focus is on the development and implementation of a strategy for commercial diplomacy.

3.6.32 Sustain a stable macroeconomic environment

89. **A stable fiscal, monetary, and regulatory environment provides certainty which is crucial for steady economic growth**. It promotes competitiveness which attracts domestic and foreign investors. In addition, it helps safeguard against economic downturns and financial crises by promoting responsible economic management and governance. The focus is on fast-tracking the growth of the economy by maintaining macroeconomic stability through sustainable fiscal and a conducive monetary policy.

3.6.33 Increase domestic resource mobilization while exploring innovative financing options

90. **To sustainably finance the expenditure requirements for the Plan, there is a need to increase domestic resource mobilization and explore innovative financing options.** To increase tax revenue, measures will be taken to improve compliance and expand the tax base. Specifically, the Government will explore the untapped segments of commercial agriculture & agribusinesses, mining & mineral enterprises, creative arts, and informal sector enterprises. To improve tax compliance and accuracy in the filed tax returns, the Government will fast-track the rolling out of digital technologies to facilitate cashless transactions. The government will also focus on strengthening administrative measures through building tax administration capacity and expanding tax audits. In addition, the Government will rationalize tax expenditure regimes to minimize revenue losses. Besides tax revenue, public institutions are encouraged (coupled with building their capacity) to devise innovative ways to increase Non-Tax Revenue (NTR). To complement the tax and non-tax revenue, the Government will explore innovative financing options such as climate finance, capital markets, and remittances. This will require putting in place appropriate policy and regulatory framework. Furthermore, measures will be undertaken to attract FDI in the strategic sector. While borrowing will continue to be one of the financing sources, this will be restricted to critical areas to debt sustainability is not undermined.

3.7 National Development Programmes

91. **Eighteen (18) programmes will be implemented to achieve the goal of the Plan.** These are:

   i) Agro-Industrialization;
   ii) Sustainable Extractives Industry Development;
   iii) Tourism Development;

iv) Natural Resources, Environment, Climate Change, Land, and Water Management;
v) Private Sector Development;
vi) Manufacturing;
vii) Digital Transformation;
viii) Integrated Transport Infrastructure and Services;
ix) Sustainable Energy Development;
x) Sustainable Urbanization and Housing;
xi) Human Capital Development;
xii) Innovation, Technology Development and Transfer;
xiii) Regional Development;
xiv) Governance and Security;
xv) Public Sector Transformation;
xvi) Development Plan Implementation;
xvii) Administration of Justice; and
xviii) Legislation, Oversight, and Representation.

92. **The eighteen NDPIV programmes are classified under four broad clusters depending on the development thematic areas they contribute to most**. The mapping is presented in table 3.3.

Table 3.3: Mapping of the NDPIV Programmes by Cluster

Cluster	**Programme**
Production and Value Addition	1. Agro-industrialization 2. Sustainable Extractives Industry Development 3. Tourism Development 4. Manufacturing 5. Private Sector Development
Social Development	6. Human Capital Development 7. Sustainable Urbanization and Housing 8. Regional Development
Enablers	9. Integrated Transport Infrastructure and Services 10. Sustainable Energy Development 11. Digital Transformation 12. Natural Resources, Environment, Climate Change, Land, and Water Management 13. Innovation, Technology Development and Transfer
Governance	14. Legislature, Oversight and Representation 15. Administration of Justice 16. Development Plan Implementation 17. Governance & Security 18. Public Sector Transformation

Source: NPA, 2024

93. Table 3.4 presents a mapping of the objectives, strategies, and Programmes to deliver the goal of the Plan.

Table 3.4: Mapping of the Goal, Objectives, Strategies, and Programmes

Goal: Higher household incomes, full monetization of the economy, and employment for sustainable socio-economic transformation		
Theme: Sustainable Industrialization for Inclusive Growth, Employment, and Wealth Creation		
Objectives	**Strategies**	**Programmes**
1. Sustainably increase production, productivity and value addition in agriculture, minerals, oil & gas, tourism, ICT, and financial services	1. Increase production and productivity in agriculture, minerals, oil & gas, tourism, ICT and financial services; and 2. Increase value addition to agriculture, minerals, oil & gas, tourism, ICT and financial services.	1. Agro-Industrialisation 2. Sustainable Extractives Industry Development 3. Tourism Development 4. Manufacturing 5. Innovation, Technology Development and Transfer 6. Natural Resources, Environment, Climate Change, Land and Water Management
2. Enhance human capital development along the entire life cycle	3. Improve access, equity, and quality of education at all levels; 4. Improve access, equity and quality of healthcare at all levels; 5. Rehabilitate, equip and construct health infrastructure at all levels; 6. Enhance access to water, sanitation, and hygiene; 7. Promote community mobilization and mindset change; 8. Expand social protection safety nets; 9. Institutionalize manpower planning and promote industry-driven skilling and training; 10. Promote empowerment and livelihood programmes for youth, women, children, elder persons, and People with Disabilities (PWDs); 11. Promote decent employment opportunities; 12. Leverage the culture and creative economy for employment and domestic resource mobilization; 13. Promote games and sports; and 14. Promote better nutrition for all.	7. Human Capital Development
3. Support the private sector to drive growth and create jobs	15. Reduce the cost of doing business; 16. Promote local content particularly for MSMEs; 17. Increase market access and competitiveness; 18. Strengthen Public-Private Partnerships; and 19. Inculcate the entrepreneurship mindset and educate the population to invest in productive sectors like agriculture.	8. Private Sector Development
4. Build and maintain strategic sustainable infrastructure in transport, housing, energy, water, industry, and ICT	20. Prioritize infrastructure maintenance; 21. Develop inter-modal and seamless transport infrastructure; 22. Increase access to clean, reliable and affordable energy; 23. Increase access to reliable and affordable ICT services; and 24. Leverage urbanization for socio-economic transformation;	9. Integrated Transport Infrastructure and Services 10. Sustainable Energy Development 11. Digital Transformation 12. Sustainable Urbanisation and Housing

Goal: Higher household incomes, full monetization of the economy, and employment for sustainable socio-economic transformation		
Theme: Sustainable Industrialization for Inclusive Growth, Employment, and Wealth Creation		
5. Strengthen good governance, security, and the role of the state in development	25. Strengthen the rule of law; 26. Consolidate and sustain peace and security; 27. Increase Government (both central and local government) investment and participation in strategic areas; 28. Improve capacity and accountability for implementation of public programmes; 29. Leverage the capacity of the non-state actors to implement the national plan; 30. Increase civic participation in the development process, decision-making, democratic governance, and socio-economic development; 31. Improve international relations and diplomacy; and 32. Sustain a suitable fiscal, monetary and regulatory environment.	13. Governance and Security 14. Public Sector Transformation 15. Regional Development 16. Development Plan Implementation 17. Administration of Justice 18. Legislation, Oversight & Representation

Source: NPA, 2024

3.8 Delivery Approaches

94. The following delivery approaches have been adopted for the Plan implementation period:

i) **Deepening the programmatic approach**. To strengthen the alignment of plans, budgets, and implementation at the macro, sectoral and local government level, the programme-based approach is the overarching architecture for planning, implementation, monitoring and evaluation. The PIAPs formulation process was decentralized to ensure ownership and timely development of programme strategies, objectives, priorities, results and budgets. In addition, continuous capacity building of programme working group actors at all levels will be undertaken. A change management strategy for the programme approach is going to be fully rolled out as well as strengthening inter and intra-programme coordination and follow-up;

ii) Science, Technology and Innovations as well as knowledge will be leveraged to increase innovation and productivity in all sectors and generate new sources of growth;

iii) **Mainstreaming job creation in all key development actions**. Capacity building of the programme working groups, MDAs, and local governments has been and continues to be undertaken to systematically integrate labour and employment creation in their planning, budgeting and implementation processes. This will be followed up by implementing coordination mechanisms, robust reporting and budgeting systems that account for job creation in all programme interventions;

iv) **Development and enforcement of last-mile physical development plans for effective land use**. The National Physical Development Plan will be actualized through the development and enforcement of district and local-level physical development plans.

v) **Regional development planning**. To capture the peculiarities within the different regions of the country, specific regional development plans will be developed to inform planning at the local government level and to drive the Local Economic Development (LED) agenda;

vi) **Deepening the quasi-market approach**. Beyond the role of providing public goods, the government will also invest in strategic areas to unlock their potential to attract and crowd in private investments however, the private sector will always be the driver of growth;

vii) **Strengthening risk analysis and mitigation**. A framework for risk mitigation has been developed to guide MDAs and Local Governments in the analysis and mitigation of potential risks to the implementation of their plans. This will entail investment in training and provision of resources to develop capacity for risk analysis and development of strategies to mitigate the risks included in processes of planning and development. This is meant to minimize potential negative impacts and take advantage of risks on public services, operations, and resources.

viii) **Full operationalization of the seven pillars of the Parish Development Model (PDM).** The Parish will continue to serve as the lowest planning unit to rally citizens for economic development;

ix) **Integrated Human Resource Development Planning**. All MDAs and LGs shall integrate human resource planning into their strategic plans and LG development plans, aligned to the National Human Resource Development Plan (NHRDP). This aims to inform the development of a critical mass of skilled professionals required to deliver the Plan.

x) To ensure inclusive sustainable development, the Human Rights Based Approach (HRBA) to planning will continue to be pursued.

3.9 High Impact Projects

95. Projects with high multiplier effects and direct impact for the realization of the Plan's desired results are presented in Table 3.5.

Table 3.5: High Impact Projects

No.	Project Title	Project Duration	Status	Total Cost (UGX)	Funding Source
	Agro-industrialization				
1.	Coffee Value Chain Development Project	5 years	Feasibility	263.91	Public
2.	Uganda Climate Smart Agricultural Transformation Project (UCSATP)	5 years	Implementation	1,122.70	Public
3.	Development of injectable Anti-Tick Vaccines	5 years	Feasibility	TBD	Public
4.	Solar powered irrigation systems	5 years	Implementation	490.19	Public
	Tourism Development				
5.	Development of Source of The Nile Project (Phase II)	5 years	Implementation	90.55	PPP
6.	Mt. Rwenzori Cable Car Project	5 years	Pre-feasibility	TBD	PPP

No.	Project Title	Project Duration	Status	Total Cost (UGX)	Funding Source
7.	Development of Water Based Eco Adventure Parks (Geothermal Spas and Resorts)	5 years	Feasibility	29	PPP
8.	Development of Equator Points	5 years	Concept	TBD	Public
	Private Sector Development				
9.	Capitalisation of UDB and Postbank	5 years	Implementation	TBD	Public
	Minerals, and Oil & Gas				
10.	Hoima Oil Refinery	5 years	Feasibility	TBD	Public/PPP
11.	Iron and Steel Plant	5 years	Concept	TBD	PPP/Private
12.	Support To Uganda's Mineral-Based Industrialization Project (SUMIP)	5 years	Pre-Feasibility	358.69	Public
13.	Petrochemical industries	5 years		TBD	PPP/Private
14.	East Africa Crude Oil Pipeline (EACOP)	5 years	Feasibility	TBD	Public
15.	Midstream Petroleum Infrastructure Development Project Phase II	5 years	Pre-Feasilbility	240.4	Public
16.	Moroto Nadunget Limestone (Cement and Clinker) Plant	5 years	TBD	1,102	Private
	Knowledge economy (STI) including ICT				
17.	Biosciences Park (Pathogen Economy)	5 years	Implementation	365.7	Public
18.	Mobility Industrial and Technology Park	5 years	Implementation	2,078.6	Public
19.	Kiira Motors Vehicle Plant	5 years	Implementation	TBD	Public
20.	4 Regional Agro-Industrial Parks (Pathogen Economy)	5 years	Implementation	100	Public
21.	Veterinary Vaccine Institute (Pathogen Economy)	5 years	Implementation	TBD	Public
22.	Uganda Digital Acceleration Program	5 years	Implementation	TBD	Public
	Integrated Transport Infrastructure and Services				
23.	Rehabilitation of Kampala – Jinja - Iganga Highway	3 years	Pre-Feasilbility	234.5	PPP
24.	Kampala - Malaba Standard Gauge Railway Project (Eastern Route)	6 years	Pre-Feasilbility	7,642.53	Public
25.	Kampala – Kasese MGR	4 years	Concept	1,800.0	Public
26.	Supply of Electricity to Standard Gauge Railway (SGR) Project	5 years	Concept	0.173	Public
27.	Capitalization of Uganda Airlines	8 years	Implementation	5,188.8	Public
28.	Greater Kampala Metropolitan Area Urban Development Program (GKMA-UDP)	5 years	Pre-Feasilbility	2,134.87	Public
29.	Busega - Mpigi Expressway	5 years	Implementation	547.5	Public
30.	Kibuye - Busega Expressway	5 years	Profile	TBD	PPP
31.	Kampala - Jinja Expessway	3 years	Profile	234.5	PPP
32.	Kampala - Southern Bypass	5 years	Concept	TBD	PPP
33.	Kampala – Bombo Expessway	5 years	Concept	TBD	PPP
34.	Kampala Outer Belt Way	5 years	Concept	TBD	PPP

No.	Project Title	Project Duration	Status	Total Cost (UGX)	Funding Source
35.	Jinja-Malaba/Busia Expressway	5 years	Feasibility	TBD	PPP
36.	Upgrading of Mpigi – Kasanje – Buwaya, Nateete – Naka wuka – Kisubi and Connecting Roads (71.15km) To Paved Standard	4 years	Implementation	263.26	Public
37.	Improvement of Traffic Control in Kampala City Project	4 years	Concept	95	Public
38.	Kidepo International Airport and related infrastructure (5- Star hotels)	5 years	Concept	370	Public
39.	Development of Bukasa Port	5 years	Feasibility	1,390	Public
	Sustainable Energy Development				
40.	Kiba HPP	TBD	TBD	TBD	Public
41.	Oriang HPP	TBD	TBD	TBD	Public
42.	Nuclear Energy Plant	TBD	TBD	TBD	Public
43.	Rehabilitation and Optimisation of Nalubaale and Kiira (380 Mw) Hydro Power Plants	5 years	Profile	908.26	Public
44.	Construction of 400kv Karuma-Tororo Transmission Line And 132kv Ntinda Substation	5 years	Proposal	1,130.16	Public
45.	Hoima - Kinyara – Kafu 220kv Transmission Line and Associated Substations Project	4 years	Feasibility	406.1	Public
46.	Mirama- Kikagati- Nsongezi 132kv Transmission Line and Associated Substations	5 years	Pre-Feasilbility	162.22	Public
47.	Masaka-Mwanza 400kv Transmission Line Project and Associated Substations (Uganda Part)	4 years	Profile	168.48	Public
48.	132kv Mbale – Bulambuli – Kween Transmission Line and Associated Substations Construction Project	5 years	Pre-Feasilbility	309.55	Public
49.	Olwiyo – Nimule (Uganda) –Juba (Sudan) 400kv Transmission Line Project	4 years	Profile	541.75	Public
50.	Nkenda (Uganda) – Beni – Bunia (D.R. Congo) 220kv Transmission Line Project and Associated Substations	4 years	Concept	106.4	Public
51.	Upgrade of Mutundwe – Buloba – Kabulasoke – Masaka and Kabulasoke – Nkonge – Rugonjo – Nkenda 132kv Transmission Line and Associated Substation Works	5 years	Concept	793.80	Public
	Manufacturing				
52.	Development of Industrial Parks	5 years	Concept	TBD	Public
	Human Capital Development				
53.	Rehabilitation of Regional Referral Hospitals	5 years	Concept	130	Public

No.	Project Title	Project Duration	Status	Total Cost (UGX)	Funding Source
54.	Establishment of Regional Oncology and Diagonistic Centers in Arua, Mbale and Mbarara	5 years	Implementation	245.5	Public
55.	Uganda Heart Institute Infrastructure Development Project	8 years	Implementation	266.0	Public
56.	Strengthening Health Systems for Primary Health Care	5 years	Feasibility	740	Public
57.	Uganda Health Services Transformation Project (UHSTP)	5 years	Profile	1,124	Public
58.	Construction of New Health Units in 132 Sub-counties, Town Councils and Divisions	5 years	Concept	TBD	Public
59.	Establishment of Primary Schools in 1818 Parishes	5 years	Profile	1,473.29	Public
60.	Secondary Schools Project for Sub-counties without	5 years	Concept	TBD	Public
	Sustainable Urbanization and Housing				
61.	Waste Management for GKMA	5 years	Concept	TBD	Public
62.	Uganda Cities and Municipalities Infrastructure Development Project (UCMID)	5 years	Proposal	2,797.5	Public
	Full monetization of the economy				
63.	Full operationalization of Parish Development Model (PDM) and EMYOOGA	5 years	Implementation	1,594	Public
	Cultural & creative industry and sports				
64.	Establishment of Four (04) Regional Sports Stadia and Fourteen (14) District Sports Grounds in the Traditional Sub Regions of Uganda	5 years	Concept	44.61	Public
65.	One-Stop Center State of the Art Production Facility (Culture and Creative Arts)	5 years	Concept	TBD	PPP

Source: Integrated Bank of Projects Data Base, MOFPED

CHAPTER 4: NATIONAL DEVELOPMENT OUTLOOK

4.1 Macroeconomic strategy

96. **The ambition to grow the economy by double digits is underpinned by a stable macroeconomic environment.** This strategy seeks to sustainably grow the economy by double digits, maintain macroeconomic stability, create more jobs, and raise resources to address the critical infrastructure deficit and social expenditures. It also aims to competitively position Uganda to fully tap into regional, continental, and global market opportunities. The strategy highlights the NDPIV sources of growth, monetary & fiscal strategies, expected key development outcomes, interventions, and resources required to achieve the expected socio-economic outcomes.

97. The specific objectives underpinning the overall macroeconomic strategy are to:

    i) Reduce poverty to 14% in FY2029/30 from 20.3% in FY2019/20;
    ii) Attain double-digit growth of 10.1% in FY2029/30 from 6% in FY2023/24;
    iii) Create an average of 884,962 jobs annually over the NDPIV period;
    iv) Maintain price stability marked by single-digit inflation within the target band of 5% +/-3;
    v) Contain the debt to GDP ratio and fiscal deficit below 50% in present value terms and 3%, respectively in FY2029/30 consistent with regional and domestic fiscal policy rules; and
    vi) Attain an increase in revenue to GDP ratio of 18.3% in FY2029/30 from 13.7% in FY2023/24.

98. The key selected economic and financial indicators are shown in Table 3.1.

Table 4.1: Selected Economic and Financial Indicators, FY 2025/26-2029/30

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
GDP and Prices (percent change)							
Real GDP	6.0	6.6	7.3	9.0	9.8	10.4	10.1
Core Inflation (average)	3	7.0	7.0	7.0	7.0	7.0	7.0
Savings and Investments Gap (percent of GDP)							
Gross Domestic Savings	19.2	17.7	18.5	19.7	19.9	21.3	22.7
Public	4.0	-0.9	-3.3	-1.2	0.3	2.1	3.9
Private	15.2	18.7	21.7	20.9	19.7	19.2	18.8
Domestic Investments	26.3	24.1	24.1	24.0	24.1	25.6	26.6
Public	8.5	4.7	4.5	4.2	4.1	4.3	4.3
Private	17.8	19.4	19.6	19.8	20.0	21.3	22.3
Government budget and debt (percent of GDP)							
Revenues and Grants	14.5	15.6	17.0	17.6	17.9	18.2	18.7
Revenues	13.7	14.3	16.1	16.9	17.4	17.8	18.3
Grants	0.8	1.3	0.9	0.7	0.5	0.5	0.4
Expenditures and net lending	19.0	21.2	24.7	23.0	21.8	20.4	19.1
Overall balance (including grants)	-4.5	-5.7	-7.7	-5.4	-3.9	-2.1	-0.4
Overall balance (excluding grants)	-5.3	-7.0	-8.7	-6.1	-4.4	-2.6	-0.8
Net Domestic borrowing	3.9	3.5	1.2	1.2	0.8	0.4	0.0
Public Gross Nominal Debt	46.9	49.0	50.9	51.9	52.5	52.3	52.5
Domestic	19.6	23.3	26.7	28.5	29.7	30.9	31.9
External	27.3	25.7	24.3	23.4	22.7	21.4	20.5
External Sector (percent of GDP)							
Current Account (including grants)	-7.1	-6.4	-5.6	-4.3	-4.2	-4.3	-3.9
Current Account (excluding grants)	-7.5	-6.8	-5.9	-4.6	-4.5	-4.5	-4.1
Trade balance	-7.1	-6.2	-5.3	-4.7	-3.8	-4.3	-4.1
Exports	11.0	9.9	9.1	8.5	7.9	7.0	6.5
Imports	18.1	16.2	14.4	13.2	11.7	11.4	10.7
Money and credit (percent change)							
Broad money (M3)	16.3	16.9	14.7	16.0	16.7	18.6	18.2
Private sector credit	14.70	8.62	7.15	8.62	11.48	11.36	16.12
Nominal GDP (UG Shs Billions)	202,131	238,189	273,562	319,017	374,773	442,786	521,662
GDP Per Capita (USD)	1,146	1,379	1,571	1,824	2,133	2,509	2,942
Nominal GDP (USD Millions)	54,278	65,266	76,488	91,018	109,107	131,539	158,133

Source: NPA and MOFPED, 2024

4.2 Economic growth strategy

99. **The economic growth strategy is based on the 10-fold growth strategy which aims to accelerate economic growth over the next 15 years.** The goal of this strategy is doubling GDP every five years over the period FY2025/26-2039/40. The targets include a six-fold increase in per capita GDP by 2040 and a 3-fold increase in the annual growth rate of GDP per capita from 4% to 12%. To attain the above targets, the Government plans to double the level of savings to meet the necessary investment levels, stimulate foreign direct investment (FDI), as well as rapidly increase exports and reduce imports and the accumulation of human and physical capital.

100. **Attainment of a 10-fold growth strategy will require investment in five key growth areas to drive the economy towards a new and higher economic frontier.** These areas are: agro-industry; tourism; minerals, oil & gas development; knowledge economy driven by STI and ICT; and finance. This Plan prioritizes the above areas together with enablers such as human capital and infrastructure development.

101. **In line with the priority areas, the Plan identifies key growth-enhancing projects that are ready for implementation.** The growth-enhancing projects of the Plan have at least

undergone a pre-feasibility study and are properly sequenced. With proper sequencing and timely implementation of the projects, the economy is expected to grow at an average of 9.3% during the Plan period.

102. **The anticipated growth will be driven by the strong momentum of services, with industry and agriculture also expected to accelerate on account of investment towards the key growth areas including value addition in the anchor sectors.** The contribution of the industry sector to GDP growth will increase from 1.72% in FY 2024/25 to 3.17% in FY 2029/30 while the agriculture, forestry & fishing sector contribution will increase from 1.1% to 1.81% over the same period. The increased contribution of the industry sector will be driven by agro-processing and mineral exploration and beneficiation largely from iron ore and phosphates, whereas the increase in agriculture sector contribution will be driven by food crops, cash crops, and fishing. Similarly, the services sector contribution will increase to 5.15% from 3.79% during this period on account of the increased contribution of Wholesale & retail trade and Tourism activities such as accommodation & food services, creative arts, entertainment, and recreation. In particular, tourism-related activities' contribution to growth is expected to increase to 0.4% in FY 2029/30 from 0.2% in FY 2024/25, while the provision of social services and infrastructure projects will contribute 3% to GDP growth over the Plan period.

103. **The expansion is also driven by oil-related production, as construction activities conclude, and production begins.** Value addition to crude oil is expected to contribute 0.8%, with oil revenues expected to range from 1% of GDP at the start of production and peak at 3% of GDP. Table 3.3 provides the decomposition of the various sources of growth.

Table 4.2: Contribution to Growth by Sectors, FY2025/26-FY2029/30

	24/25	25/26	26/27	27/28	28/29	29/30
Real GDP	**6.60**	**7.35**	**9.05**	**9.82**	**10.35**	**10.13**
Agriculture, forestry & fishing	**1.10**	**1.39**	**1.73**	**1.82**	**1.76**	**1.81**
of which:						
Cash crops	0.01	0.17	0.27	0.21	0.12	0.23
Dairy farming	0.00	0.00	0.04	0.03	0.01	0.02
Food crops	0.54	0.54	0.66	0.73	0.77	0.71
Fishing	0.13	0.16	0.21	0.23	0.22	0.24
Livestock	0.13	0.15	0.17	0.18	0.19	0.18
Other	0.31	0.36	0.41	0.46	0.47	0.46
Industry	**1.72**	**2.45**	**2.88**	**3.01**	**2.87**	**3.17**
of which:						
Agro - processing	0.68	0.79	1.30	1.34	1.15	1.33
Construction	0.45	0.81	0.55	0.61	0.71	0.69
Electricity and water	0.24	0.24	0.29	0.34	0.36	0.36
Mining & Quarrying	0.08	0.14	0.15	0.15	0.14	0.16
Other Manufacturing	0.27	0.48	0.59	0.57	0.51	0.63
Services	**3.79**	**3.50**	**4.44**	**4.99**	**5.72**	**5.15**
of which:						
Transport services	0.18	0.17	0.26	0.27	0.26	0.28

Wholesale and retail trade	0.51	0.69	0.82	0.89	0.86	0.89
Telecommunications-ICT	0.13	0.13	0.18	0.19	0.21	0.20
Financial services	0.26	0.22	0.28	0.31	0.37	0.32
Health	0.16	0.18	0.22	0.27	0.28	0.28
Public Administration	0.15	0.18	0.23	0.25	0.82	0.30
Accommodation & Food Services	0.22	0.22	0.27	0.34	0.37	0.35
Other services	2.17	1.71	2.18	2.48	2.55	2.51

Source: NPA and MoFPED, 2024

4.3 Growth and employment creation strategy

104. **Employment prospects will remain buoyant as output expands, supported by sustained demand for services and additional investment in industries.** The investments in the priority areas will translate into the expansion of economic output, which is a necessary condition for job creation. The Plan adopts a four-pronged approach to job growth: expanding the industrial base, ensuring productivity gains across all sectors; diversifying economic activities to generate job opportunities; and expanding household investment opportunities through the PDM and other wealth creation funds. Particularly, the Plan aims to strengthen the private sector as a driver of jobs by ensuring a higher survival rate of new business start-ups and growth of existing ones. This will translate into the creation of 4.4 million new jobs with an annual average of 884,962 during the Plan period (Table 3.3).

Table 4.3: Stock of new Jobs created over the NDPIV period

Employment Industry	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30
Agriculture, forestry & fishing	**208,409**	**466,761**	**421,909**	**257,716**	**247,504**
Industry	**137,116**	**124,837**	**129,922**	**135,748**	**169,404**
Mining	12,049	10,965	9,880	9,053	16,124
Manufacturing	51,482	78,862	79,767	69,826	78,956
Electricity & Water	938	968	1,308	1,737	1,324
Construction	72,648	34,041	38,967	55,132	72,999
Services	**327,068**	**391,797**	**439,326**	**503,788**	**463,508**
Trade and Repairs	168,230	164,990	177,584	177,188	191,516
Transport & Storage	22,489	33,413	34,801	41,869	35,017
Accommodation & Food Service Activities	16,330	18,631	26,879	34,328	31,267
Information & Communication	2,202	3,510	4,025	5,734	3,487
Financial and Insurance Activities	2,252	2,943	3,370	5,294	3,279
Real Estate Activities	953	1,010	1,409	1,771	1,521
Professional, Scientific & Technical Activities	8,055	9,453	9,475	11,739	11,236
Education	37,480	40,196	46,063	52,615	48,369
Human Health & Social Work Activities	8,585	9,133	12,118	14,991	13,218
Arts, Entertainment & Recreation	3,426	4,525	6,366	7,231	7,115
Other Services	57,064	103,994	117,237	151,026	117,483
Overall Total	**672,594**	**983,396**	**991,157**	**897,252**	**880,416**

Source: NPA, 2024

105. **Job creation is primarily projected to occur in the services sector, serving as an enabler for other sectors.** Within the services sector, job creation is expected to be concentrated in trade and repairs, which is projected to account for an average of 20.1% of jobs created. Additional jobs in the services sector will be created in transport & storage (3.8%), accommodation & food services (2.9%), and education (5.1%). The industry sector will contribute on average 16.1% of the new jobs, mainly in mining (1.3%), manufacturing (8.1%), and construction (6.5%). Agriculture, fisheries, and forestry are projected to contribute 35.6% of the new jobs. However, the overall contribution to employment is expected to decrease to 53.2% in FY 2029/30 from 60.3% in FY 2023/24, largely due to increasing efficiency gains from quality inputs, mechanization, value addition, and the growing adoption of commercial agriculture. Consequently, labor in agriculture is expected to shift toward other sectors. (Table 3.4).

Table 4.4: Proportion of new Jobs created over the NDPIV period

	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30
Agriculture, forestry & fishing	**31.0%**	**47.5%**	**42.6%**	**28.7%**	**28.1%**
Industry	**20.4%**	**12.7%**	**13.1%**	**15.1%**	**19.2%**
Mining	1.8%	1.1%	1.0%	1.0%	1.8%
Manufacturing	7.7%	8.0%	8.0%	7.8%	9.0%
Electricity & Water	0.1%	0.1%	0.1%	0.2%	0.2%
Construction	10.8%	3.5%	3.9%	6.1%	8.3%
Services	**48.6%**	**39.8%**	**44.3%**	**56.1%**	**52.6%**
Trade and Repairs	25.0%	16.8%	17.9%	19.7%	21.8%
Transport & Storage	3.3%	3.4%	3.5%	4.7%	4.0%
Accommodation & Food Service Activities	2.4%	1.9%	2.7%	3.8%	3.6%
Information & Communication	0.3%	0.4%	0.4%	0.6%	0.4%
Financial and Insurance Activities	0.3%	0.3%	0.3%	0.6%	0.4%
Real Estate Activities	0.1%	0.1%	0.1%	0.2%	0.2%
Professional, Scientific & Technical Activities	1.2%	1.0%	1.0%	1.3%	1.3%
Education	5.6%	4.1%	4.6%	5.9%	5.5%
Human Health & Social Work Activities	1.3%	0.9%	1.2%	1.7%	1.5%
Arts, Entertainment & Recreation	0.5%	0.5%	0.6%	0.8%	0.8%
Other Services	8.5%	10.6%	11.8%	16.8%	13.3%
Overall Total	100%	100%	100%	100%	100%

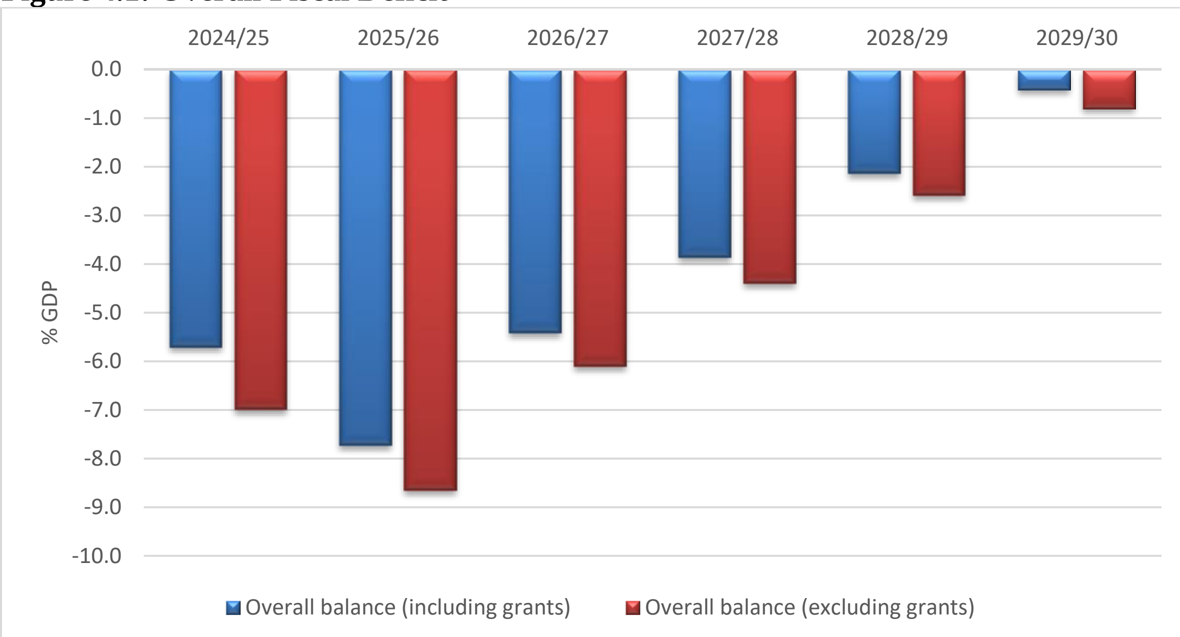
Source: NPA, 2024

4.4 Fiscal strategy

106. **The fiscal strategy of the NDPIV is underpinned by the need to maintain fiscal sustainability while investing in key growth areas to double the size of the economy and increase its competitiveness in the medium to long term.** To this end, the strategy aims at sustaining fiscal consolidation efforts through the collection of more revenue, acquisition of low-cost & low-risk financing, and achieving budget allocative efficiency by repurposing the resources in the annual budgets to focus on the priority areas. Additionally, the strategy strives to improve the efficiency of public investment management.

107. **While the expenditure requirements for achieving the 10-fold strategy are large, the fiscal strategy ensures that the fiscal deficit remains within sustainable levels over the medium to long term.** In this regard, the NDPIV macroeconomic framework adopts a fiscal path that ensures the debt-to-GDP ratio remains sustainable. The revenue-to-GDP ratio is expected to grow by 0.5 percentage points annually rising to 18.3% by FY 2029/30, while the expenditure-to-GDP ratio will decline from 24.7% to 19.1% throughout the Plan. Consequently, the fiscal deficit is expected to gradually decline to less than 3% by FY 2029/30 in line with the EAC Convergence criteria. Figure 3.1 shows the NDP IV fiscal path.

Figure 4.1: Overall Fiscal Deficit



Source: NPA, 2024

4.4.1 Revenue Strategy

108. **Financing the Plan will require substantial resources, therefore expanding the size of the economy and the tax base, as well as improving tax administration.** More revenue will be generated from the untapped segments of commercial agriculture & agribusinesses, mining & mineral enterprises, creative arts, and informal sector enterprises. In addition, the Government will fast-track the rolling out of digital technologies to facilitate cashless transactions and improve accuracy in the filed tax returns and compliance. Government will also focus on strengthening administrative efforts through building the tax administration capacity of URA in minerals, oil & gas, and e-commerce; as well as expand tax audits in targeted industries in mining, oil & gas, telecommunications, and professional service providers to increase compliance. Furthermore, the Government will adopt a performance-based tax expenditure (tax incentive) regime to minimize revenue losses. Overall, it is expected that these interventions will lead to an increase in total revenues and grants will

increase to 18.7% of GDP by FY2029/30 from 14.5% as FY2023/24, of which oil revenues contribute 0.5% (Table 3.5).

Table 4.5: Sources of Revenues (%age of GDP)

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
		Proj					
Total Revenues and Grants	14.5%	15.6%	17.0%	17.6%	17.9%	18.2%	18.7%
Total Oil and Non-Oil Revenues	13.7%	14.3%	16.1%	16.9%	17.4%	17.8%	18.3%
Non-Oil Tax Revenues	13.7%	14.3%	15.8%	16.3%	16.8%	17.3%	17.8%
Oil revenues	0.0%	0.0%	0.3%	0.6%	0.6%	0.5%	0.5%
Grants	0.8%	1.3%	0.9%	0.7%	0.5%	0.5%	0.4%
Budget Support	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Project Support	1.3%	1.3%	0.9%	0.7%	0.5%	0.4%	0.4%

Source: NPA, 2024

4.4.2 Expenditure Strategy

109. **The expenditure strategy prioritizes investments in the key development opportunities of the Plan that will drive the attainment of the desired double-digit growth.** To achieve the objectives of the NDPIV, Gov't will spend the newly mobilized resources averaging 2.1% of GDP over the Plan period on the key growth and priority investment areas in line with the 10-fold growth strategy including agro-industrialization, minerals, oil & gas, STI, tourism, emerging opportunities of AFCON, GKMA urban development, road maintenance, investment in railway, and the petrochemical industry.

110. **Expenditure to GDP ratio will peak in the initial years but decline gradually in the latter years with expansion in output.** The overall average spending is expected to amount to 21.8% of GDP with a peak of 24.7% in the FY2025/26 and consolidation of spending by the end of the Plan to 19.1% of GDP. This pattern is largely driven by the required spending levels on the key projects identified to enhance the desired growth. The initial increase in the overall spending is largely attributed to huge investments in priority areas and sustaining the multi-year commitments. As key infrastructure projects especially in energy wind up coupled with the rapid increase in GDP, the expenditure to GDP is projected to decline towards the end of the Plan period.

111. **The Government will ensure efficient allocation and use of resources by strengthening public investment management reforms.** These reforms aim to particularly improving project planning, execution of development projects, reduction of procurement delays, and ensuring timely project completion. Additionally, fiscal discipline will be key to reducing the frequent use of supplementary and ad-hoc budget practices.

4.4.3 Deficit Financing and Debt sustainability

112. **The mobilized revenue will not be sufficient to finance the necessary expenditure to achieve 10-fold growth. Financing this deficit will therefore require debt acquisition (Table 3.1).** While revenue is expected to increase to 18.7% of GDP in FY 2029/30 from 14.5% in FY 2023/24, this is not sufficient to finance the development needs. Public debt to GDP is therefore expected to increase to 52.5% in FY 2029/30 from 46.9% in FY 2023/24. Nonetheless, the debt remains sustainable in line with the debt sustainability analysis.

113. **The major risk to debt sustainability is failure to attain the envisaged growth outcomes, implying any shock affecting growth would lead to a high risk of debt distress.** Other risks include the increased debt service burden on revenues due to the high cost of domestic debt and commercial loans which reduces development expenditure. The Government will therefore minimize domestic borrowing, invest in export development, attract FDI, and scale up domestic revenue mobilization to increase resources to finance development needs.

Table 4.6: Sources of financing–Percent of GDP

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Overall Deficit (including grants)	-4.5%	-5.7%	-7.7%	-5.4%	-3.9%	-2.1%	-0.4%
Overall Deficit (excluding grants)	-5.3%	-7.0%	-8.7%	-6.1%	-4.4%	-2.6%	-0.8%
Financing	4.5%	5.7%	7.7%	5.4%	3.9%	2.1%	0.4%
External financing	0.0%	2.2%	6.6%	4.2%	3.1%	1.8%	0.4%
Budget support	2.1%	0.6%	0%	0%	0%	0%	0%
Concessional loans	0.5%	1.6%	5.1%	3.2%	1.5%	0.8%	0.0%
Non-concessional borrowing (HPPs)	0.1%	0.1%	1.5%	1.0%	1.6%	1.0%	0.4%
Non-concessional borrowing (Others)	0.4%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Domestic financing (net)	3.9%	3.5%	1.2%	1.2%	0.8%	0.4%	0.0%
Bank financing	2.2%	1.5%	0.6%	0.6%	0.5%	0.2%	0.0%
Bank of Uganda	-4%	-5.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Commercial Banks	6.2%	7.4%	0.6%	0.6%	0.5%	0.2%	0.0%
Non-bank financing	1.7%	2.0%	0.6%	0.6%	0.3%	0.2%	0.0%

Source: NPA, 2024

114. **External financing will continue to have a significant role in financing development (Table 3.6).** However, given the tightened monetary conditions and graduation to middle-income status, access to concessional financing will decline. Consequently, more non-concessional external financing will be sourced to finance public investments, with external financing increasing to 6.6% of GDP in 2025/26. Domestic financing although rising as well, will be reduced to less than 1% of GDP by the end of the plan to prevent crowding out of private sector investment.

4.5 Price and monetary developments

115. **Monetary policy will be underpinned by the desire to maintain price stability.** The target of core inflation for NDPIV will be within single digits but maintained between the band of

5% and 10%. Inflation targeting through the use of interest rates will remain the operational tool used to control inflation. The central bank will need to strike a balance between controlling inflation and supporting growth, particularly by managing high interest rates that could curb the expansion of private sector credit. While inflation targeting has proved to be successful in maintaining macroeconomic stability, there is a challenge of market interest rates adjusting in tandem with the CBR owing to the high banking overhead costs and shallow financial markets which limit the banks to achieve economies of scale. In addition to overhead costs, bank activities are impeded by a poor institutional environment characterized by a slow and inefficient legal system, problems of land titling, and unreliable valuation of properties. The inflation targeting framework will, therefore, have to be supported by measures that can address the challenges in the banking system so that market interest rates fully adjust to the CBR. It is hence expected that private sector credit will continue to grow at a rate averaging about 11%, and thereby support the overall GDP growth and creation of jobs.

4.5.1 Monetary policy stance and inflation

116. **The Bank of Uganda (BoU) will continue to implement a monetary policy framework that will ensure price stability and a conducive environment for attaining economic growth over the NDPIV period.** The Bank of Uganda has implemented an inflation-targeting monetary policy framework since July 2011. The Bank of Uganda uses the Central Bank Rate (CBR) to influence interbank money market rates, ensuring they move in tandem with changes in the CBR. This, in turn, should influence other retail interest rates, both short-term and long-term, throughout the economy.

117. The inflation outlook will be largely dependent on changes in domestic food prices, exchange rates, and international commodity prices. During the NDPIV period, the objective is to keep annual inflation low and stable assuming no major shocks to the economy and a stable global environment.

4.5.2 Exchange rate policy

118. Notwithstanding the recent developments in the foreign exchange market, the Government's exchange rate policy will continue to be market-determined and will largely be driven by developments in the balance of payments.

4.5.3 Private sector credit growth

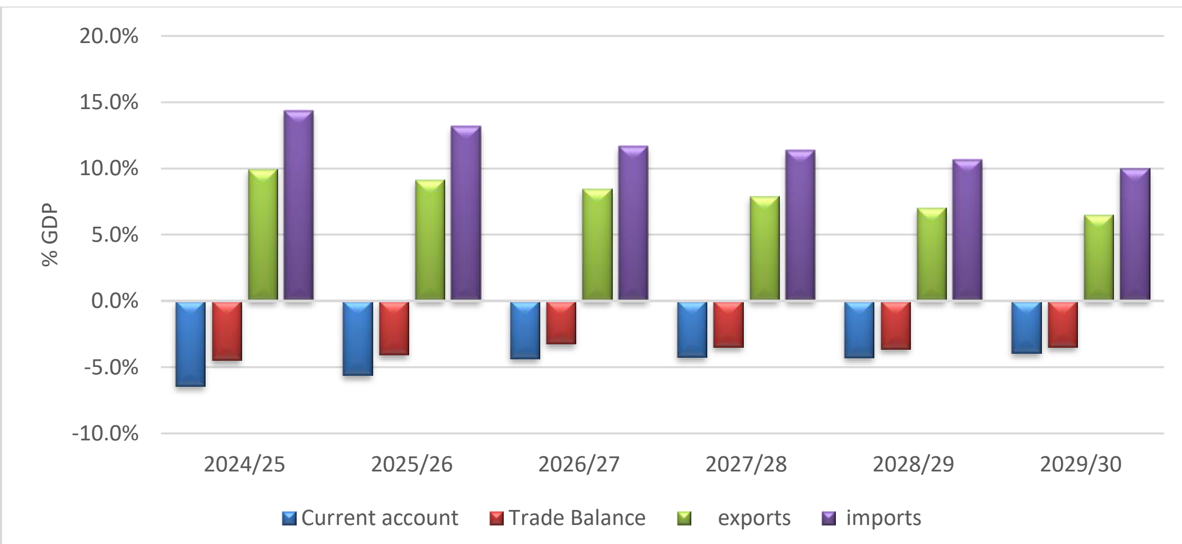
119. **A gradual reduction of Government domestic borrowing over the NDPIV will support the growth of private-sector credit.** Net domestic Government borrowing will decline to 0.1% by 2029/30 from 3.5% in FY 2024/25 (Table 3.6). In the same period, private sector credit is expected to grow at an average of 11%. The government has implemented several reforms over the years to bring down the lending rates. Despite these reforms, commercial bank lending rates remain prohibitively high and keep borrowers away from the credit markets

which is in part attributed to the Government's excessive borrowing from the domestic market and the high operational costs of the financial intermediation. To address these challenges, the Government will scale down domestic borrowing and encourage financial institutions to adopt digitization to reduce the cost of operation.

4.6 External Sector Developments

120. **The external sector will be positively impacted by the Government's investments in productive sectors, combined with productivity gains across various sectors.** Improvements are expected in the current account deficit, to 3.9% from 5.6% during the same period on account of the expected increase in project financing. The current account will partly be financed by an increase in foreign direct investments and increased government borrowing which will largely be used to finance projects that will spur the anticipated growth. Similarly, with an improvement in productivity of the exportable sectors, the overall level of the trade balance deficit is expected to improve to 3.5% of GDP in 2029/30 from 4.5 of GDP 2024/25 and average at about 3.6% during the NDPIV period (Figure 24).

Figure 4.2: External Sector Developments



Source: NPA, 2024

4.7 Risks to the attainment of the Macroeconomic Strategy targets

121. The medium-term forecast for economic growth is optimistic, although uncertainties remain due to risks from external and domestic sources, including global and domestic economic conditions, climate change-induced disasters, and sectoral imbalances.

122. **The attainment of the macroeconomic strategy targets is subject to external shocks which could affect the achievement of the double-digit growth targets.** Subdued global growth could limit external demand for exports, challenging the attainment of the 10-fold

growth target. Additionally, geopolitical tensions, especially in the Middle East, could disrupt global trade and energy prices, impacting Uganda's balance of payments and inflation. Trade fragmentation and rising protectionism may also reduce export opportunities and increase costs for imported inputs, while climate-related disasters could harm agricultural productivity, affecting economic stability and infrastructure development.

123. To enhance economic resilience, the government will maintain foreign reserves covering at least 3.4 months of imports, actively diversify export markets through bilateral and multilateral trade agreements, and prioritize investment in critical infrastructure like transportation and energy. Additionally, expanding climate-smart agricultural practices and implementing the national disaster risk management framework will bolster climate resilience, while promoting local industries and supporting small and medium-sized enterprises (SMEs) will reduce reliance on imports and strengthen the domestic economy.

124. **The anticipated increase in public debt to GDP introduces fiscal and debt sustainability risks.** The primary concern is the ability to manage this rising debt without compromising fiscal stability. Increased debt servicing costs could divert resources away from critical investments and social services, particularly if revenue growth does not meet projections or if economic growth falls short of expectations. Moreover, reliance on external financing to cover the deficit poses risks related to currency fluctuations and global financial conditions, which could affect debt servicing and repayment. Additionally, the heightened appetite for domestic debt issuance to finance Government spending is likely to crowd out private sector investments and pose debt repayment risks given the short-term nature and higher interest rates of domestic debt.

125. To ensure debt sustainability, the government will focus on improving efficiency in budget execution while prioritizing concessional and semi-concessional loans from bilateral and multilateral agencies for external debt. The government is also committed to reducing domestic borrowing to less than 1% of GDP by the end of the planning period. Additionally, the financing strategy will explore alternative and innovative sources of funding to complement traditional financing methods, thereby enhancing overall fiscal resilience.

126. **Revenue shortfalls pose a risk to the implementation of the Plan.** Meeting the revenue targets requires significant improvements in tax administration, including curtailing corruption and expanding the tax base, particularly in sectors like mining and oil, as well as enhancing compliance across the board. If these improvements do not materialize as planned, revenue targets might not be met, jeopardizing the ability to finance key investments and maintain fiscal sustainability. Additionally, the performance-based tax expenditure regime and enhanced digital tax administration might face implementation challenges, such as resistance from businesses, which could further impact revenue collection. Furthermore, a

delay in the arrival of significant revenue from oil due to slow implementation of oil projects may lead to revenue shortfalls.

127. The plan provides strategies to ensure higher revenue generations through effective implementation of the Domestic Revenue Mobilization Strategy. Particularly, addressing tax evasion and smuggling, broadening the tax base, implementing digital technologies for cashless transactions and enhancing the capacity of the Uganda Revenue Authority (URA). Non-Tax Revenue (NTR) collections will also be improved by establishing real-time reporting systems, setting key performance indicators for revenue agencies, and regularly reviewing fees and charges.

128. **The commencement of oil production poses exchange rate risks to the economy.** Failure to manage the inflows of foreign exchange and adherence to the established fiscal rules may result in the appreciation of the shilling against major currencies.

129. The Government will mitigate the risk of the Dutch disease through the implementation of the Public Finance Management Act Cap.171. (PFMA) provisions for petroleum management. The act provides for a petroleum fund to which the oil revenues are to be remitted and a Petroleum Revenue Investment Reserve (PRIR) with rules for investments which indicate that investments must be made in a manner that does not jeopardize the macroeconomic stability of the country. Additionally, Government provides fiscal rules for the appropriation of oil revenue including the transfer of a maximum of petroleum revenue worth 0.8% of the preceding year's estimated non-oil GDP outturn from the Petroleum Fund to the Consolidated Fund for budget operations, and the remainder of the petroleum revenues shall be transferred to the PRIR.

130. **The actual employment growth may fall short of the projected 884,962 jobs annually due to sectoral imbalances or slower-than-expected expansion in key areas such as agro-processing, tourism, and manufacturing.** The anticipated growth in employment heavily relies on the successful implementation of both public and private investments and projects. However, delays or inefficiencies in project execution could undermine job creation efforts. Additionally, structural issues in the labor market, such as skills mismatches or regional disparities, could affect the ability to generate the projected number of jobs.

131. To address the risks of falling short of the projected annual jobs created, the government will implement several key strategies including prioritizing targeted investments in high-growth areas such as agro-processing, tourism, and manufacturing, while streamlining project execution to minimize delays. The human capital program has planned for the development of vocational training programs to align workforce skills with industry needs, while the Private sector development Program provides strategies for the promotion of entrepreneurship through support programs to encourage job growth.

CHAPTER 5: FINANCING THE PLAN

5.1 Introduction

132. **Implementation of the NDPIV will be financed from both public and private sources.** Public financing will include traditional and non-traditional financing options. The traditional sources will include domestic revenue, non-tax revenue, grants, domestic and external debt. The non-traditional sources will include new, innovative, flexible and affordable financing options like climate finance, blended finance, infrastructure bonds, and Diaspora bonds among others. Private financing will include domestic and foreign direct investments, private sector credit, special public wealth creation and investment funds for the private sector, and remittances among others. The comprehensive financing strategy is detailed in the following sections.

5.2 Financing for Public Investment

5.2.1 Current State of Financing for Public Investment

133. **Public financing is characterised by a highly constrained fiscal space.** Uganda's fiscal space is highly constrained due challenges in domestic revenue mobilisation, a narrow tax base, sporadic increase in administrative spending, and constrained external financing. The country focuses on a few sources of domestic tax revenue, grapples with corruption induced leakages in tax administration and implementation, as well as inefficiencies in implementation of public investments that hold and/or waste resources meant for new priorities. Further there has been sluggish growth in domestic revenue averaging at 12-13% of GDP between 2019 and 2024. This stagnation is largely attributed to weak implementation of the Domestic Revenue Mobilization Strategy, which only achieved a performance rating of 58% in 2023. A narrow tax base, characterized by low household incomes, a high prevalence of subsistence agriculture, tax evasion, and widespread informality, also constrains revenue collection. Non-tax revenue also remains minimal, contributing only about 1% of GDP, despite recent nominal increases due to a policy reform to directly remit the taxes to the consolidated fund.

134. While external financing through grants and loans from bilateral and multilateral sources is being pursued to bridge the financing gap, grants are declining due to many donor countries and international organizations reallocating their resources towards more pressing global issues, such as climate change and humanitarian crises. In FY 2023/24 grants were estimated at 0.8% of GDP. Furthermore, net financial transfers to developing countries have fallen from their peak of USD225 billion in 2014 to 51 billion in 2022. Also, donor financing is sometimes affected by the misalignment between domestic policy priorities and global policy priorities leading to a decline of financial resources from development partners. Overall, the decline in external financing has led to a growing reliance on domestic borrowing to finance budget deficits. However, Uganda's domestic money market is shallow, limiting the availability of

long-term financing instruments. This situation poses risks of crowding out private investment and increasing the national debt burden, as much of this borrowing is short-term and subject to higher interest rates. As a result of this situation, the largest share of domestic revenue is allocated for debt service obligations further constraining the fiscal space.

135. **State-owned Enterprises (SOEs) such as NSSF, Housing Finance Bank, Uganda Broadcasting Corporation (UBC), National Housing and Construction Company (NHCC) and Uganda Airlines among others, play a pivotal role in mobilising revenue that would be used to also finance public investment.** However, these institutions encounter some challenges that limit their potential. Most of these institutions don not operate fully as commercial entities, some still follow Government bureaucratic regulations and processes that are not good for business and have weak corporate governance. Going forward, improving the efficiency of state-owned enterprises with a view of improving their revenue generation potential will be a priority.

136. **Public-Private Partnerships (PPPs) are becoming popular as an alternative financing modality mostly for infrastructure development in Uganda, nonetheless, capacity for negotiation and structuring is still hindering progress.** With significant infrastructure deficits and limited public financing, the Ugandan government has embraced PPPs to drive growth in sectors such as transport, energy, and public utilities. Already a strong legal and adequate institutional framework are in place. Despite challenges such as regulatory risks, capacity gaps, and public resistance to cost-sharing, PPPs remain a viable model for financing public investment.

137. Philanthropy is an essential source of financing for public investment, particularly in sectors such as health, education, and food security in Uganda. International philanthropic organizations have contributed significantly, with an estimated cumulative funding of USD 514.6 million between 2009 and 2018. While this amount is modest compared to other development financing flows, it plays a crucial role in supporting initiatives aligned with the National Development Plan. In addition, foundations often operate outside the constraints of electoral cycles, allowing them to focus on long-term social impacts rather than immediate financial returns. However, several challenges hinder the full potential of philanthropy in financing public investment. These include a lack of formal coordination and dialogue with national systems, minimal engagement with existing partnerships, the absence of a specific philanthropy law leading to regulatory ambiguities, and an unstructured approach to Corporate Social Responsibility (CSR), which remains largely ad hoc and unpredictable.

138. World over, the pension sector is the driver of domestic resource mobilization. Uganda’s retirement benefits sector, while holding significant potential as a source of financing for public investment with total assets reaching UGX 22 trillion in 2024, faces substantial challenges that limit its effectiveness. Currently, only 15% of the workforce participates in

formal retirement schemes, leaving a vast majority, particularly in the informal sector, uncovered and undermining individual financial security as well as the long-term capital available for public investment. The sector's heavy reliance on fixed-income investments, with over 80% of National Social Security Fund (NSSF) assets concentrated in government securities, results in low returns and reduced growth potential. This lack of diversification not only poses risks associated with overconcentration but also yields low returns, making the pension schemes less attractive and limiting their potential to contribute meaningfully to economic productivity. Furthermore, existing retirement products do not adequately address the diverse needs of savers, particularly self-employed individuals, and regulatory barriers hinder investment opportunities, creating a challenging landscape for both participation and effective capital mobilization. Lastly, there's no competition in the sector as there's one major player in collection and management of mandatory contributions in the retirement benefits sector, the National Social Security Fund (NSSF). There is need to revisit the reforms in the pension sector to provide long-term domestic financing of Government and private sector projects.

5.2.2 Strategies for financing Public Investment

139. The public financing strategy of the NDPIV will be underpinned by the fiscal consolidation strategy. Government will sustain implementation of the fiscal consolidation strategy which is intended to enhance revenue collection, limit borrowing for only critical and strategic investments and have allocative efficiency. Government will also optimize the current budget by reallocating resources towards priority sectors.

140. In particular, the strategies will include:

i) **Effective Domestic Revenue Mobilization**: Effective implementation of the Domestic Revenue Mobilization Strategy (DRMS) will be critical during the NDPIV. There will be a strong focus on addressing inefficiencies in tax administration, tax evasion, smuggling, and corruption related leakages within revenue collection systems. Other key actions include broadening the tax base by identifying and taxing underperforming sectors such as commercial agriculture, mining, and the informal economy. Additionally, implementing digital technologies for cashless transactions and enhancing the capacity of the Uganda Revenue Authority (URA) will improve tax collection and compliance. Lastly, enhancing Non-Tax Revenue (NTR) collections will involve establishing real-time reporting systems, setting key performance indicators for revenue agencies, and regularly reviewing fees and charges to keep pace with economic conditions.

ii) **Strengthening Public Debt Management**

a) Concessional loans from multilateral creditors will remain a major source of financing for public investment. These loans will be sought for priority projects, particularly those that align with the Plan's priority areas.
b) Given the ambitious nature of NDP IV and reducing access to concessional loans, it is essential to broaden the scope of funding sources. When concessional loans are unavailable, the government will also prioritize semi-concessional loans. This strategy will help maintain fiscal discipline while allowing for necessary investments in infrastructure and services.
c) For projects where neither concessional nor semi-concessional financing is feasible, the government may engage in non-concessional borrowing. However, this will be undertaken cautiously and only for projects with clear medium to long-term financial and economic benefits and returns.
d) The government aims to keep domestic borrowing to a minimum, ideally under 1% of GDP by the end of the NDPIV period. While this is intended to prevent crowding out private sector investment, the Government is cognizant of the fact that domestic borrowing will remain crucial as external financing declines. Therefore, it is imperative to implement reforms that deepen the domestic financial market. The reforms will include the increase of savings for retirement and development of the domestic capital markets, to enhance the capacity for long-term domestic financing and hence enable a more resilient financing framework.

iii) **Development Assistance Grants from Development Partners and Civil Society Organisations (CSOs):** Grants will remain a key component in financing the Plan. To maximize this funding, relationships with development partners and civil society organisations will be strengthened to optimize the flow of assistance in support of the Plan's key development priorities, while emphasizing mutual respect for national, regional, and global interests. Existing opportunities for development assistance include strategies aligned with the Sustainable Development Goals (SDGs) and Africa Agenda 2063, as well as cross-cutting issues such as climate change, HIV/AIDS, family planning, and refugee support. This Plan aims to enhance the country's capacity to leverage these financing opportunities effectively.

This financing strategy not only enhances the effectiveness of public investments but also encourages collaboration between the public and private sectors, leveraging additional resources and expertise. Additionally, capacity-building initiatives funded by these grants will empower local communities, ensuring that projects are sustainable and equitable.

iv) **Increasing Revenue from SoEs:** These enterprises will be leveraged to contribute positively to domestic revenue. Revenue generated from these enterprises is in form of dividends/profits, taxes, and fees/royalties due to Government which are an important source of public financing. The Ministry of Finance Planning and Economic Development will develop a framework for tracking and reporting on this revenue even where the enterprises are permitted to spend it at source just like the case for other NTR collecting institutions. Additionally, efficient SoEs can attract private investment through public-private partnerships, further expanding their financial capacity and service delivery capabilities.

v) **Integrate Public-Private Partnerships (PPPs)**: Develop PPPs across both social and commercial sectors to leverage private investment and expertise in project financing and implementation in areas like transport infrastructure, energy, healthcare, and water systems. While these projects are often expensive to be fully funded by the government, they can attract private investment due to their long-term revenue potential.

vi) **Leveraging the South-South Cooperation:** The Government will prioritize consolidating relationships with South-South partners such as China, focusing on building bilateral and multilateral partnerships that enable the exchange of best practices, technical expertise, and financial resources, thereby enhancing its capacity to leverage existing and potential development opportunities.

vii) **Exploit Oil & Gas and Mineral Reserves**: Efforts to explore and develop oil and gas reserves will be intensified, generating substantial revenue that can be reinvested in various sectors of the economy. In addition, the government will strengthen revenue generation from other minerals. The extractives sector, including the mining of minerals such as gold, copper, and rare earth elements, will be prioritized for development. Revenues from these resources will be enhanced through the improved collection of taxes and royalties. Likewise, efforts will be towards forming conglomerates around government-owned mineral reserves and assets, facilitating the attraction of private capital through public share offerings.

viii) **Promote Corporate Debt Financing**: The use of corporate debt financing options, such as corporate bonds will be encouraged, to relieve government debt burdens associated with financing public institutions.

ix) **Strengthen implementation follow-up, monitoring and oversight**: Improve the decision-making process for public investments through robust monitoring systems, ensuring compliance with Public Investment Management guidelines and addressing poor project management.

x) **Optimize Public Spending**: Enhance efficiency in public spending by promoting good governance, transparency, and accountability. Streamlining public expenditure will reduce waste and ensure that resources are directed effectively towards development projects.

xi) **Philanthropy**: Government will implement several strategic measures to improve philanthropy as a reliable source of financing for public investment. A critical step will be to establish a national legal framework for CSR, clearly defining the roles and expectations of businesses, government institutions, and development partners. This framework would formalize CSR efforts, making them more predictable and aligned with national priorities. Additionally, the government will actively engage with philanthropic foundations, creating an enabling environment that fosters collaboration between domestic and international stakeholders. By encouraging dialogue and coordination among these entities, the Government will build broad-based partnerships that enhance the impact of philanthropic funding, ultimately leading to more effective public investments that address pressing societal needs and drive sustainable development.

5.2.3 Innovative Public Financing Options

i) **Leverage the pension sector**: Leveraging Uganda's pension sector for public investment can provide a sustainable source of long-term financing, benefiting both the country's development and pension fund growth. To improve the retirement benefits sector as a sustainable source of financing for public investment, several strategies should be implemented.

   a) Expanding coverage through improved enforcement of mandatory participation in retirement savings schemes for all formal employees and certain informal sectors.
   b) Diversifying investment options, such as creating infrastructure bonds and encouraging public-private partnerships, to directly link pension funds to public projects while generating returns.
   c) Innovating savings products tailored to the needs of various demographics, especially the self-employed, and integrating healthcare benefits to increase participation.
   d) Strengthening financial literacy through public awareness campaigns to educate the workforce on the importance of retirement savings.
   e) Thorough review of policies and regulations to remove barriers and enhance legal protections for savers.
   f) Leveraging technology by developing digital platforms for contributions and robust data management systems to improve access and transparency, fostering greater trust in the retirement benefits system.

ii) **Increase Access to Climate Finance**: Establish an enabling policy and regulatory framework to support climate finance mechanisms, including the development of a green bond market and innovative financial products. Strengthening the technical capacity of local institutions to structure viable green projects will help attract investment. Simplifying application procedures for multilateral funds and providing de-risking instruments, such as guarantees and insurance, will further enhance access and investor confidence in climate-related initiatives.

iii) **Utilize fines from violation of the law as an alternative source of financing, employing various strategies that not only generate revenue but also promote compliance with laws and regulations**. This revenue can be generated from: fines for traffic violations; regulatory offenses such as environmental breaches and health code violations; tax penalties for late payments; public safety violations, including breaches of building codes; fines for digital offenses like cyberbullying and data breaches; and civil fines for minor offenses, such as littering or noise complaints. This approach is an effective means for the governments to enhance its financial resources while fostering a culture of accountability and compliance.

iv) **Offer profit-sharing agreements:** Government can offer profit-sharing agreements where investors receive a percentage of revenues generated by successful projects. This reduces the risk for investors by ensuring they benefit from the financial success of the projects.

v) **Establish Special Purpose Vehicles (SPVs)**: Explore establishing SPVs which aggregate funds from various sources, including pension funds, international institutions, and private investors for large-scale projects.

vi) **Infrastructure Bonds:** these are debt securities issued by governments, municipalities, or special-purpose vehicles to raise funds for specific infrastructure projects. Given the country's substantial financing needs for projects such as roads, bridges, energy facilities, and water supply systems, infrastructure bonds present a viable financing solution. These bonds can mobilize funds from both domestic and international capital markets for public investments.

vii) **Sukuk Bonds:** Different from Infrastructure bonds, Sukuk bonds are based on Islamic banking and Sharia law. Their issuance in Uganda will attract Capital from investors, especially in the Arab world for both public and private.

viii) **Blended Finance**: Use blended finance mechanisms to combine public and private financing and reducing risks for private investors.

ix) **Introduction of green finance instruments** such as green bonds and sustainability-linked loans will encourage both public and private sector investment in environmentally friendly projects, supported by financial incentives such as tax breaks or lower interest rates.

x) **Leveraging In-situ minerals:** Uganda is endowed with significant in-situ mineral resources, including copper, gold, cobalt, limestone, and rare earth elements. In-situ minerals, which are mineral deposits still located in the ground and not yet extracted, can be leveraged to create tradable financial instruments that generate funds for public investment. This approach mobilizes capital from financial markets by using the potential value of untapped mineral resources.

xi) **Public-Private-Community Partnerships (PPCP):** Public-Private-Community Partnerships (PPCP) present a promising model for financing public investment by fostering collaboration among government entities, private investors, and local communities. This approach harnesses the unique strengths and resources of each sector, ensuring that development initiatives are both inclusive and sustainable. By integrating community stakeholders, PPCP promotes local ownership and accountability, empowering residents to participate actively in decision-making processes that directly impact their lives. The public sector's role in providing regulatory support and essential infrastructure complements private sector contributions in capital, technology, and expertise, creating a dynamic ecosystem that stimulates economic growth and innovation.

5.2.4 Reforms to Support Financing for Public Investment

i) **Reform the Pension Sectors:** Reforms in the pension sector will be undertaken to unlock their potential for financing public investments. This includes;

a) **Establish multiple public pension funds.** This will foster competition and market efficiency, leading to more innovations, better services, and more attractive products for savers, and consequently higher savings.

b) **Expand pension coverage by including informal sector workers.** Uganda's large informal sector remains significantly underserved by the current pension system. To bring more workers into the pension fold, targeted policies such as micro-pension schemes specifically designed for informal workers are critical. These schemes should leverage technology by using mobile money platforms and other simplified savings products to incentivize participation and mobilize additional savings from previously untapped sectors of the economy.

c) **Leverage pension assets for public investment.** Uganda's pension sector holds significant potential for financing infrastructure and other public investments. To maximize this potential, pension funds, such as NSSF, should be encouraged to invest in diverse financial instruments, including infrastructure bonds and PPPs.

d) **The public service pension scheme should be turned from a non-contributory, unfunded model to a contributory defined benefit pension fund by establishing the Public Service Pension Fund (PSPF) as an irrevocable trust governed by a Board of Trustees.** This will ensure that pensions are guaranteed for eligible public servants while maintaining professional management in compliance with the Uganda Retirement Benefits Regulatory Authority (URBRA) Act Cap.232. In addition, separate the PSPF from the Ministry of Public Service to prioritize policy guidance and political oversight without direct operational involvement.

ii) Enabling State-owned enterprises (SOE's) with commercial objectives to operate without government-related constraints. To enhance the efficiency and competitiveness of SOEs, reforms, and waivers are needed to allow these entities to operate more like private enterprises while maintaining government oversight.

iii) Implement the rationalization of public spending across the entire Government to reduce government spending and increase efficiency in public service delivery

iv) Cash-in on public indiscipline by improving efficiency in revenue collection from fines for violation of the law, through the following reforms;

a) **Strengthen Enforcement:** Increase the capacity of law enforcement agencies and regulatory bodies to effectively monitor and enforce fines for violations. This could involve increased training, better equipment (e.g., traffic cameras, environmental monitoring systems), and stronger inter-agency coordination.

b) **Automated Fine Collection Systems:** Implement a digital platform for the automated collection of fines to ensure transparency, efficiency, and accountability. This would include integrating systems like mobile money, online banking, and e-payment platforms for easy, real-time fine payment.

c) **Review and Update Laws:** Existing laws related to fines for various offenses (e.g., traffic, environmental, digital, public safety) should be reviewed and updated to ensure consistency and clarity. In addition, new regulations should be enacted to cover emerging areas like cyber offenses and digital violations (e.g., data breaches, and cyberbullying).

5.3 Financing for Private Investment

5.3.1 Current State of Financing for Private Investment

141. **Private sector credit growth has remained slow and inadequate to finance NDPIV aspirations.** By the end of FY 2023/24, the total outstanding stock of private sector credit was estimated at Shs.24,026.1 with an average growth of 8.6% over the five years. This performance is well below the 16.6% target set in the NDP III and lags behind regional peers, such as Kenya's 14.1% and Tanzania's 16.6% private sector credit growth in 2023. Financing for private investments is low due to significant challenges, including low savings, a financial sector that's heavily reliant on costly short-term, bank-based credit and largely nonexistent patient capital.

142. **The high-cost short-term credit is mainly as result of the low savings, estimated at 19.2% of GDP in 2022, limiting the amount of funds available for credit for investment.** This is coupled with the fact that commercial banks, which control a substantial portion of Uganda's financial assets, are primarily focused on low-risk investments in government securities rather than extending long-term credit to local businesses. As of 2022, six major commercial banks mostly foreign-owned controlled 64.76% of the banking sector's total assets, valued at UGX 44.2 trillion. This oligopolistic banking structure results in limited availability of affordable credit for private sector growth and innovation. By prioritizing safer assets, banks limit the capital available for local businesses, reducing the overall supply of credit and driving up borrowing costs. Additionally, factors such as operational costs, loan mispricing, and profit maximization exacerbate the issue. Misaligned loan products fail to meet the specific cash flow needs of borrowers, increasing the perceived credit risk. Consequently, these dynamics contribute to the high costs of short-term credit, making it challenging for businesses to secure the funding necessary for growth and innovation.

143. **Compounding this issue are the high-interest rates associated with SACCOS, and money lenders which are supposed to be alternatives that provide easier access to credit.** For

instance, while commercial banks charge annual rates averaging at 18% in FY2023/24, Tier IV financial institutions like SACCOs demand rates of around 48%, and money lenders charge annual rates averaging at to 120%. High interest rates among SACCOs and money lenders stem from several factors. They often lend to higher-risk borrowers, necessitating elevated rates to offset potential defaults. Limited access to low-cost capital also drives up borrowing costs, as these institutions rely more on member deposits or expensive funding sources. While SACCOs are regulated, they face less stringent oversight than commercial banks, leading to variability in lending practices. Additionally, market competition among money lenders can result in inflated rates due to their targeting of urgent cash needs. Lastly, the short-term nature of many loans further contributes to higher rates, as lenders seek to quickly recoup costs and generate profit. Despite this, there's a rapid growth of SACCOs under Uganda Microfinance Regulatory Authority (UMRA) whose number increased from 26 to 60 between June 2021 and June 2022. This reflects an increasing reliance on these alternatives in a high-interest environment.

144. **On the other hand, the limited patient capital is due to the fact that most bank deposits are short-term while development financing institutions (DFIs) and capital markets remain underdeveloped and hindered by structural inefficiencies**. The short-term bank deposits create a mismatch with the long-term financing needs for the private and public sector, limiting access to patient capital for private and public investment. Additionally, the diversion of funds approximately 20.1% toward the building, mortgage, construction, and real estate sectors, due to their available collateral, further sidelines priority sectors outlined in the National Development Plan IV. The capital markets, and development financing institutions (DFIs) exist to diversify financing sources by providing long-term financing, but these alternatives remain underdeveloped and mired by structural inefficiencies. The Uganda Development Bank (UDB), despite managing a loan portfolio of UGX 1.31 trillion in 2022, struggles with inadequate capitalization, high non-performing loans, and high interest rates (12-14%). This makes financing costly and difficult for small and medium-sized enterprises (SMEs), which are critical drivers of economic growth. Additionally, Uganda's capital markets remain underdeveloped, with only 18 listed companies on the Uganda Securities Exchange (USE) as of 2024. Despite a 57.2% increase in market capitalization, reaching USD 2.83 billion, liquidity remains low, limiting the market's ability to support large-scale private and public investments. In comparison, regional peers such as Tanzania and Kenya have much larger and more liquid capital markets, highlighting Uganda's competitive disadvantage.

145. **Insurance which could provide long-term financial security and investment, also suffer from low uptake.** Only 5% of Ugandan adults hold a formal insurance product, and microinsurance products often disproportionately tax the poor, making it crucial to redefine insurance policies to ensure they are fair, accessible, and impactful, especially for low-income groups.

146. **Foreign Direct Investment (FDI) is another crucial source of long-term finance for private investment although it has not been fully leveraged.** By the end of FY 2022/23, FDI had increased to USD 3.7 billion (7.7% of GDP) from USD 1.25 billion (3.3% of GDP) in 2019/20, driven largely by investments in the extractives sector in anticipation of oil production in 2025. Despite a significant growth in FDI, Uganda faces substantial barriers to leveraging FDI for development. These include an unfavourable international credit rating, inadequate competition frameworks, corruption, and the weakness of domestic firms in forming effective partnerships with foreign investors. To maximize the benefits of FDI, Uganda must improve its policy and institutional environment, enhance investor protections, and strengthen local enterprises to facilitate integration with foreign investors.

147. **The Government has put in place public funds through initiatives such as the Parish Development Model (PDM) and Emyooga, with an aim to provide long-term finance for investment and wealth creation at the grassroots level but these funds have not resulted in the anticipated impact.** Despite allocating significant resources through Government initiatives such as UGX 2.3 trillion for the PDM, challenges persist in effectively utilizing these funds for sustainable development. Issues such as bureaucratic inefficiencies, limited capacity of local institutions, and inadequate monitoring mechanisms hinder the optimal deployment of public funds, often resulting in insufficient impact on household incomes and economic participation.

5.3.2 Strategies for Financing Private Investment

148. Addressing the challenges of access to private sector financing requires a multi-faceted approach, including improved policy frameworks to increase availability of affordable long-term credit, strengthening capital markets, enhancing the role of DFIs, and promoting financial literacy. During the plan period, private sector financing will mainly come from commercial banks, microfinance institutions, Development Finance Institutions (DFIs), Capital markets, and FDI. The following key strategies will be undertaken to increase financing from these institutions.

5.3.2.1 Reducing the Cost of Short-term Finance

i) **Increase Savings**

a) **Expanding Financial Inclusion:** Extending banking services to rural areas and providing affordable, tailored financial products for different population segments will improve access to banking services, thereby increasing formal savings

b) **Supporting Competitiveness and Portfolio Growth:** To enhance competitiveness and promote portfolio growth, reviewing tier restrictions that limit bank agent recruitment by microfinance deposit-taking institutions (MDIs) is essential. This change will foster greater competition and enable MDIs to better serve a larger customer base. Additionally, the establishment of a digital wallet sub-tier with controlled transaction limits can further support this objective by improving financial inclusion. By implementing a tiered system where users can begin with lower daily limits, which can be increased after identity verification, this approach allows for secure and accessible transactions. Integration with commercial banks will facilitate seamless fund transfers and broaden access to savings accounts, loans, and insurance products. Additionally, partnerships with Savings and Credit Cooperative Organizations (SACCOs) can extend these financial services to underserved populations. Lastly, investing in robust internal processes will ensure banks can effectively accommodate the increased customer volume, ultimately contributing to a more dynamic banking ecosystem.

c) Implementing financial literacy initiatives to encourage individuals to prioritize saving, ultimately leading to increased funds for investment.

ii) **Reduce commercial bank lending rates**

a) **Optimizing Public Banks as policy banks and increase their share of the Banking Market:** Government capital investment will strengthen public banks such as Post Bank, Pride Microfinance, and Housing Finance Bank. Upgrading Post Bank to Tier 1 status will expand its market share, while Pride Microfinance will focus on group lending products (SACCO and VSLA loans) to reduce interest rates by increasing customer reach. Channelling government business through these banks and promoting financial literacy will boost public trust in their services.

b) **Reducing Operational Costs:** Banks should adopt digital banking services and automate repetitive processes to lower costs and reduce turnaround times. High-quality software systems and upgraded infrastructure, including ATMs and IT, will improve access to credit for underserved groups and increase formal savings therefore strengthening the financial system. Commercial banks should develop low-cost products while innovation within the banking sector can stimulate competition and offer accessible financial solutions. Furthermore, leveraging digital technologies can enable partnerships between Savings and Credit Cooperative Organizations (SACCOs) and commercial banks, providing a wider range of services like insurance and savings plans.

c) **Enhancing Risk Management:** Strengthening credit risk management by linking customer data (e.g., loans, collateral, and credit history) to the National ID system will streamline decision-making, reduce lending risks, and lower interest rates. Likewise, increasing the number of Credit Reference Bureaus, expediting financial court cases, and enforcing fair lending practices will create a more efficient and equitable banking environment, supporting lending across income groups.

d) **Collaborating for Economies of Scale:** Encouraging banks to share services and infrastructure through partnerships will optimize operational costs.

e) **Strengthen Microfinance Institutions**: Enhance the regulatory framework for SACCOs and other microfinance institutions to promote responsible lending practices and better risk assessment. This could help lower interest rates and make credit more accessible to small businesses.

5.3.2.2 Increase long-term Finance

i) **Increasing Financing by Development Finance Institutions (DFIs)**

a) **Boosting Capitalization:** To enable DFIs such as the Uganda Development Bank (UDB) and Uganda Development Corporation (UDC) to fulfil their mandates, the government will fully implement approved capital increases (e.g., raising UDB's capitalization to UGX 5 trillion). DFIs will also be provided with special guarantee funds to mitigate risks in high-risk sectors, enabling them to support more long-term, high-impact projects. However, the DFIs should align their financing towards the development needs of the country to ensure impact.

b) **Operational Improvements:** Partnerships with entities like the National Social Security Fund (NSSF) will improve market access for smallholder farmers through initiatives such as the National Marketing Company.

ii) **Developing Capital Markets**

a) **Promoting Listings for State-Owned Enterprise:** Listing shares in state-owned enterprises (SOEs) will increase corporate governance, transparency, and accountability. Divesting government-owned companies through share sales will release equity for other investments while encouraging best practices.

b) **Introducing Fixed-Income Products:** New products such as local government bonds will support local development and reduce reliance on central government funding.

c) **Developing Retail Markets:** Retail bond and equity markets should allow individual investors to participate through smaller-denomination bonds or bond mutual funds. A secondary market for corporate bonds and equity will also be developed to enhance liquidity and ease trading.

d) **Diversifying Capital Markets:** Uganda will diversify its capital markets by introducing futures contracts for soft (agricultural) and hard (mineral) commodities. This will stabilize prices and provide farmers with access to credit through warehouse receipts.

e) **Building Investor Confidence:** To attract more issuers and ensure fair market practices, regulatory frameworks will be strengthened. Strategies such as guaranteed minimum dividends for equity investors and partial or full guarantees on core projects will encourage institutional investment.

f) **Promoting Collective Investment Schemes (CIS):** Partnerships with financial advisors and institutions will promote CIS as a viable investment option. Exploring innovative products like digital securities, crowdfunding platforms, and Islamic financing will diversify investment options and attract a broader range of investors.

iii) **Attracting Foreign Direct Investment (FDI)**

a) **Improving Sovereign Credit Rating:** Enhancing Uganda's credit rating through sound fiscal management, macroeconomic stability, and diversified economic growth will attract more FDI by reducing the perceived risk of doing business. Accurate data provision and proactive engagement with credit rating agencies will ensure fair assessments of Uganda's creditworthiness. Additionally, strengthening corporate governance practices, characterized by transparency, accountability, and effective risk management is vital. Strong governance increases company credibility and stability, leading to more favourable international ratings. As more businesses achieve these ratings, they can attract further foreign direct investment, creating a stable environment that benefits both individual companies and the overall investment climate, ultimately enhancing the nation's creditworthiness.

b) **Strengthening Institutions:** Reinforcing governance frameworks and predictable policies will create a stable environment for investors. Establishing a comprehensive competition framework and addressing corruption through stronger enforcement of anti-corruption laws will further enhance investor confidence.

c) **Strengthening Domestic Firms:** Capacity-building programs will be introduced to make local firms more attractive for partnerships with foreign investors, facilitating joint ventures and technology transfers. Incentives such as tax breaks and infrastructure improvements in sectors like energy, mining, manufacturing, and ICT will also enhance FDI inflows.

d) **Political Stability and Investor Protection:** Sustaining political stability and clear legal protections for investors' rights, including safeguards against expropriation, will solidify Uganda as a preferred destination for FDI.

e) **Establishing an International Finance Centre (IFC):** The IFC presents an opportunity to position Uganda as a regional financial hub, offering a platform for global investors to engage with the country's growing economy while providing a mechanism to channel capital into critical infrastructure and development sectors. By offering a conducive environment for global finance through the IFC, international investors, financial institutions, and multinational corporations will invest in Ugandan projects, including infrastructure, energy, mining, and technology.

iv) **Improving Development Financing through Government Initiatives**

149. Government funds, such as the Parish Development Model (PDM) and Emyooga will be optimized through the following strategies.

a) **Strengthening Governance and Accountability**: Establish transparent frameworks for fund allocation and usage, including regular audits and public reporting to ensure accountability.
b) **Capacity Building for Local Institutions**: Provide training and resources to local government and community organizations to enhance their ability to manage and implement development projects effectively.
c) **Improving Monitoring and Evaluation**: Develop robust monitoring and evaluation frameworks to track the impact of public funds on economic growth and household incomes, allowing for adjustments as needed.
d) **Streamlining Bureaucratic Processes**: Simplify procedures for accessing public funds to reduce delays and ensure timely disbursement, thereby enhancing project implementation efficiency. This can be done by leveraging technology using digital fintechs to allow for the funds in these programs to be transferred directly to the beneficiary eliminating middlemen.

5.3.3 Innovative Financing for Private Investment

150. In addition to the traditional sources of financing private investment, the following alternative mechanisms for financing private investment will be utilised.

i) **Leveraging remittances for development financing by adopting targeted strategies to unlock the full potential of these inflows.**
a) Develop affordable and attractive financial products that specifically target remittances. This will involve commercial banks and capital markets offering tailored investment vehicles, such as diaspora bonds, that enable the diaspora community to invest in public infrastructure projects.
b) Lowering the cost of transferring remittances is also critical, as the current fees significantly diminish the value of funds reaching beneficiaries.
c) Establishing a clear regulatory framework to govern remittances will provide security and transparency, encouraging more structured investments.

ii) **Harness insurance for development financing.**
a) Expand agricultural insurance which is crucial due to its low uptake among smallholder farmers, who are highly vulnerable. Particularly, improve the Agricultural Insurance Scheme and create cost-effective products through technology to enhance resilience and access to financing in rural areas.
b) Scale up microinsurance to boost financial inclusion among low-income and rural populations, by developing tailored products, increasing financial literacy, and to improving transparency.

c) Promote bancassurance which offers a valuable distribution channel to broaden insurance reach, while de-risking instruments can facilitate business credit.
d) Put in place policy reforms to foster green insurance products to safeguard investments and promote sustainable development.
e) **Overhaul insurance administration**: There is an urgent need to overhaul Uganda's insurance framework to widen coverage and increase value for policyholders.
f) **Redefine third-party motor insurance**: With only 3% of policyholders claiming on third-party motor insurance, it is clear that the system requires a reform to provide better value. A review of premiums claims processes, and transparency around policyholder benefits should be prioritized, ensuring that third-party insurance serves its intended purpose more effectively.
g) **New rules for police in handling accidents**: Clear and standardized protocols must be developed for the police in handling traffic accidents. This includes ensuring proper documentation for insurance claims, facilitating smoother claims processes, and reducing delays or obstructions that affect victims and policyholders.

5.3.4 Reforms to Support Financing for Private Investment

i) Revise the Capital Markets Authority Act Cap. 64 and update the capital gains tax on share sales to encourage family-owned businesses to list and attract more private investment, adopting practices similar to Kenya's successful model.
ii) Enforce a policy requiring bailed-out/distressed companies to issue shares through public or private offers and adhere to best practices in corporate governance.
iii) Introduce regulatory reforms ensuring that all personal information, including outstanding loans, collateral, phone numbers, land ownership, and credit history, is linked to the National ID system to reduce borrowing costs and enhance data accessibility.
iv) Reviewing tier restrictions that limit bank agent recruitment by MDIs will boost competition.
v) Provide incentives, such as tax breaks or guarantees, to companies that issue corporate bonds and equities to stimulate market activity.
vi) National industry-specific policies, like the tea industry regulation, will be developed to help DFIs better target development objectives.
vii) Fast-track the creation of a green taxonomy that aligns Uganda with international standards for sustainable investments. This will enhance access to global green finance by providing clear guidelines for green and sustainable economic activities. By acting swiftly, Uganda can capitalize on the growing interest in climate finance and attract investments in renewable energy, sustainable agriculture, and green infrastructure.

viii) Mandate climate and ESG disclosures for large, publicly listed companies to boost transparency and investor confidence. This will align Uganda with global sustainable investment trends.

PART III: DEVELOPMENT PROGRAMMES

CHAPTER 6: AGRO-INDUSTRIALIZATION

6.1 Introduction

151. **Agro-industrialization is vital for transforming agricultural products through value addition, thereby increasing their market value.** It provides opportunities to increase production, food & nutritional security, employment, household incomes, and stimulates rural development. It also encourages the adoption of modern farming techniques and technologies, improving overall agricultural productivity. Additionally, agro-industrialization promotes export diversification, reducing reliance on primary agricultural exports and increasing foreign exchange earnings.

152. **The Agro-industrialization programme is central in achieving the aspirations of the Plan.** Agriculture provides essential raw materials to drive the value-addition agenda, bolstered by the application of STI. These raw materials are leveraged by STI to generate new sources of growth. Agro-industry development is vital for optimizing investment in value addition infrastructure (special agro-processing zones, storage facilities, and reliable energy) and cost-efficient transport such as the railway. This programme ensures the realization of the PDM by increasing production, storage, processing, and marketing for small-scale farmers. Agro-industrialization plays a pivotal role by acting as a key off-taker for agricultural produce, stimulating rural development and ensuring food security for growing urban populations. Transforming the food systems ensures a steady supply of high quality, safe, and nutritious food to the growing urban population. Agro-industry will also contribute to revenue generation through sale of agricultural technologies, issuance of permits, and production of inputs, among others.

153. **The programme is essential for attainment of global, regional, and national development aspirations.** Agenda 2030 (SDG 2) aspires to end hunger, achieve food security & improved nutrition, and promote sustainable agriculture. Towards this, in 2021, the Food Systems Approach was launched in partnership with FAO. Agenda 2063 (Goal 5) calls for modernizing agriculture through increased production, productivity, and value addition. The EAC Vision 2050 (Pillar 2) seeks to increase investment and enhance agricultural productivity for food security and transformation of the rural economy. The Uganda Vision 2040 priorities value addition in agriculture through agro-processing.

154. **The potential of agro-industrialization to enhance value addition and increase market value of agricultural products is hindered by:** failure to prioritize agricultural value chains; insufficient value addition infrastructure; the disconnect between value addition and the production side; poor harvest & post-harvest handling; inability to sustain existing and new markets with the required volumes and quality of products; knowledge & skills gap; failure

to organize farmers into cooperatives; limited access to agriculture finance; the slow pace of de-risking agriculture; proliferation of counterfeit and low quality agro-inputs; undeveloped commercial farming to support industrial value chains; limited fertilizer use; human resource capacity gaps; and weak coordination, legal, and institutional framework.

155. **The goal of this programme is increased value addition in agricultural products.**

6.2 Situation analysis

156. **There have been efforts to prioritize key agricultural commodities, however, these are still many and highly variant, hindering sufficient development of the value chains.** In addition to the NDPIII 10 prioritized agricultural commodities, several other priorities have since come up including: banana, sugar, grains, fruits & vegetables, poultry meat, flowers, irish potato, hass avocado, shea nut, cashew nut, and macadamia. There are also commodities prioritized along the agro-ecological zones some of which are different from the aforementioned. Even within these zones, interventions are not focused on the selected commodities. The lack of focus has complicated the development of specific high impact value-chains. Whereas there have been efforts to develop value chains for selected commodities such as dairy, oil seed, and sugar, the lack of prioritization has led to spreading investments thinly, constraining attainment of the desired impact.

157. **There have been investments in agricultural value-addition infrastructure, however, these are inadequate and the facilities are not fully optimized.** Over 2,263 Agro-Processing Facilities (APFs) have been established across the country including the zonal industrial hubs & industrial parks and urban markets. APFs like rice hullers and maize mills have positively impacted local communities by improving the quality of processed products and enhancing access to markets, which has led to better household incomes. However, 40% of the APFs are non-functional, while over 50% are performing below capacity, signifying wasted resources. On average, all tea factories are operating below 60% capacity, the largest 9 dairy processing firms are operating at 57%; most of the coffee processing is at 40%; maize mills at 46%; fish at less than 30%; while some major abattoirs such as Bombo abattoir are operating at less than 30% of their capacity. This is partly attributed to a lack of synergies along the value chains, poor management, limited working capital, insufficient supply & quality raw materials, poor community road infrastructure, unreliable & high costs of power, and lack of clarity of ownership.

158. **In particular, there is a disconnect between value addition infrastructure and the production side which further impedes value addition.** For some infrastructure such as Soroti fruit factory and Bombo abattoir, there is a mismatch between the quality and quantity of the locally produced raw materials with those required by the established infrastructure. This is attributed to lack of thorough feasibility studies that would otherwise inform the right machinery to be installed based on the current quality of locally produced raw materials, or

inform the production of better quality/required varieties as plans to establish the infrastructure are ongoing. Consequently, the established infrastructure face operational challenges due to inadequacy of the right raw material. Also, some APFs have been installed in areas where there is no raw material base to support them. For example, the establishment of an ultra-modern milk cooling facility in Bukwo.

159. **There has been improvement in harvest, post-harvest handling and storage facilities mainly in the grain and dairy industries, however, there is limited aggregation, adherence to standards, and use of inappropriate technology.** A cumulative storage capacity for grains has increased to 1,236,219 MT in FY2022/23 from 550,000 MT in FY2017/18. The increase in storage capacity is attributed to support to farmer groups from the Government and partners to establish storage facilities across the country. This has contributed to a reduction in post-harvest losses for grain from 37% in the year 2017/18 to about 18.2% in FY2022/23. Similarly, storage capacity for dairy products has increased to 3 million litres in FY2022/23 from 2.7 in FY2017/18. This is due to Government investment in several bulking and milk collection centers and training to increase farmer awareness of post-harvest losses. However, there is still poor harvest and post-harvest handling, especially among smallholder and medium farmers, due to inappropriate technology, storage facilities, and cold chain infrastructure, transportation, & inadequate bulking centres. In addition, adherence to national and international standards is low due to a lack of accreditation and traceability systems.

160. **There have been efforts to explore regional and international markets for agricultural products, however, there are still challenges of market penetration, diversification and sustainability.** The agriculture exports to total exports increased to USD 1.53 billion in 2022/23 from USD 0.93 billion in 2017/18, mainly due to growing export volumes of coffee, tea, maize, cocoa, fruits and vegetables, and vanilla. However, the exports remain concentrated in the EAC region, accounting for 42% of the exports with limited exploitation of the opportunities offered by other markets such as AfCFTA. In addition, majority of these are primary products, fetching lower values. Further, there have been challenges in sustaining some of the international markets such as flowers & fish to the EU, beef to China and livestock & its products to UAE. The failure to sustain these markets has been due to the inconsistencies in the production volumes, low compliance to standards & quality requirements.

161. **There has been improvement in the delivery of extension services, however, knowledge gaps among farmers persist, undermining productivity and value addition.** The proportion of households with access to agricultural extension services increased to 49% in the FY2021/22 from 11.7% in FY2017/18. However, majority of these extension workers lack training tailored to the dominant value chains in their area of operation and lack adequate logistical support to cover the entire area of jurisdiction. This is partly attributed to, ineffective & unsustainable extension approaches, and limited adoption of modern technologies, with

only 20% of farmers utilizing modern agricultural technologies. Whereas ICT presents an opportunity for quick and cost-effective provision of extension services, for example, taking advantage of the 62% access to information by the population through radio and 49% mobile phone usage, there is still low adoption of ICT-enabled agricultural extension applications partly due to low internet coverage (at 12%).

162. **More farmers have been organized through cooperatives; however, the intended benefits of cooperation have not been realized.** The number of cooperatives in Uganda has grown over years to 31,733 in FY2021/22 from 15,583 in FY2015/16, however, the majority of cooperatives are Savings and Credit Cooperatives (SACCOs) with very few production and marketing-oriented cooperatives. The over-dominance of SACCOs within the cooperative sector poses a significant challenge to the value-addition agenda. While SACCOs play a crucial role in providing financial services to their members, their focus is primarily on savings and credit rather than production enhancement and market access. This imbalance results in a lack of support structures for production scaling, processing, and marketing within the cooperative framework. Consequently, farmers and agricultural producers often remain stuck in a cycle of primary production with minimal opportunities for value addition or product differentiation. The limited focus on establishing and supporting production and market-oriented cooperatives means that there is insufficient infrastructure and expertise available to help farmers process raw materials into finished products, thus missing out on potential income enhancements and more stable market positions.

163. **Progress has been made in the provision of agricultural finance, however, there are still gaps.** One of the major successes in agricultural finance in Uganda has been the expansion of financial services to rural areas through the Agricultural Credit Facility (ACF), Uganda Development Bank (UDB), and SACCOs. The loan portfolio to agricultural increased from Shs.1,127 billion in the FY 2020/21 to Shs.1,699 billion in FY2022/23. The introduction of innovative financing mechanisms like mobile money and digital platforms, have also significantly increased financial inclusion among farmers. Government is able to annually contribute Shs.5 billion as a premium towards agriculture insurance. However, there is no framework to regulate agriculture finance in the country which limits access to affordable credit for smallholder farmers. Furthermore, there are no appropriate finance and insurance packages available for the different value chain actors. Interest rates for agricultural loans remain prohibitively high making repayment difficult. High default rates, estimated at around 30% by the Bank of Uganda in 2019, have deterred financial institutions from extending more credit to the agricultural sector. As a result, only about 10% of smallholder farmers have access to formal financial services. Moreover, the agricultural insurance market in Uganda remains underdeveloped, with less than 1% of farmers having access to crop or livestock insurance, which exposes them to significant risks.

164. **Uganda has made important strides in de-risking its agricultural sector, however, climate change and the low uptake of insurance pose significant challenges**. Climate-smart agriculture (CSA) practices have been promoted to reduce the risks associated with climate change with over 50,000 farmers trained in CSA practices, including water conservation, drought-resistant crops, and agroforestry. However, vulnerability to climate change in the agricultural sector is high. To de-risk agriculture in Uganda, agricultural insurance was introduced. The Government, in partnership with private insurers, launched the Uganda Agricultural Insurance Scheme (UAIS) in 2016, contributing premiums worth Shs.5 bn annually, which has since grown to Shs.19.8 bn in 2021. By FY2022/23, the scheme had insured over 687,608 farmers and covered approximately 130,000 hectares of crops. The insurance has provided farmers with protection against risks such as droughts, floods, and pests, and it has helped mitigate losses during adverse weather conditions. The government's subsidy, which covers 30-50% of the premium cost, has made insurance more affordable for smallholder farmers. However, there is low penetration of insurance products particularly in rural areas due to limited awareness among farmers about the benefits of insurance and how it functions.

165. **Efforts have been made to increase fertilizer use, however, uptake is still low**. Initiatives have been made to establish phosphate fertilizer production from the Sukulu hills in Tororo district but production has never kicked off due to management challenges. Government has attracted investments into a green hydrogen-based fertilizer plant to reduce dependency on costly fertilizer imports and provide more affordable and locally produced fertilizers. However, the availability and affordability of fertilizers to the end users is still a challenge limiting fertilizer application. The fertilizer consumption rates range between 0.23 to 1.5 kg per hectare, which is significantly below the sub-Saharan Africa average of 8 kg per hectare. Only 10% of agricultural households in Uganda use artificial fertilizers, partly due to lack of knowledge and limited extension services specifically focused on fertilizer use (including using soil testing to guide fertilizer application). In addition, there is proliferation of counterfeits.

166. **The country faces the challenge of the proliferation of counterfeits in the form of seeds & planting materials, herbicides, and fertilizers, resulting in low production and productivity.** Counterfeit inputs are estimated to comprise up to 30% of the agro-inputs market, with farmers continuing to suffer losses resulting from counterfeits and banned substances that are harmful to crops, animal, and human health. This is compounded by inefficient regulation and limited means of verification due to the limited availability of laboratory tests. The counterfeits not only lead to low yields and quality but also cause severe economic losses for farmers who invest in these ineffective inputs. The environmental impact is equally detrimental, with potential soil degradation and water pollution from harmful chemicals. In addition, counterfeits pose health risks to both humans and livestock due to

exposure to toxic substances. Further, counterfeits undermine market trust, complicating the adoption of new agricultural technologies and modern agro-practices.

167. **The dominance of smallholder and subsistence farming poses significant challenges to the country's agro-industrialization agenda.** Only about 30% of farmers in Uganda are involved in commercial agriculture leaving 70% of Uganda’s Agriculture standing on the shoulders of smallholders who are subsistence in nature. These peasants are characterized by high poverty levels and vulnerability to shocks related to weather and disease epidemics. The farmers are characterized by traditional seed systems, traditional and inferior genetics, heavily rely on rainfed agriculture and minimally use fertilizers. Over-reliance on nature means that over 60% of the farmers are vulnerable within the agriculture system and as well resort to coping strategies that destroy the environment. This persistent problem means that there are no sufficient agricultural volumes to feed into industry for value addition because farmers are primarily producing for consumption with less or no surplus for value addition and markets.

168. **Strides have been made in strengthening governance and regulation of the agro-industry, however, there are significant gaps in the legal, regulatory, and coordination framework**. These gaps are evident in the notable duplications of mandates across various institutions within the programme, which lead to inefficiencies and overlapping responsibilities. Understaffing in key agencies further hinders effective implementation and enforcement of policies, while data gaps and outdated laws limit informed decision-making and sectoral advancement. Additionally, coordination between actors is weak, with the production component failing to effectively communicate with the industry component, resulting in fragmented efforts. Moreover, the programme suffers from inadequate monitoring and evaluation, largely due to vague and poorly defined performance indicators. This lack of clarity makes it difficult to measure progress accurately and hold agro-industrialization stakeholders accountable. The absence of clear metrics undermines efforts to assess the impact of policies and programs, leading to inconsistent policy application and gaps in implementation. Compounding these issues are policy inconsistencies and the absence of necessary policies in certain critical areas such as maintenance of the tractors distributed. The programme working group, which is essential for cohesive planning and execution, inconsistently meets further exacerbating the disconnect between the various components of the agro-industry.

169. **To achieve the agro-industrialization agenda, the programme prioritizes five agricultural industrial value chains and selected priority crops based on agro-ecological zones.** A fully developed agriculture industrial value chain should have developed primary, secondary, and tertiary industrial products. Despite all the investment done in agriculture over the years, the country boasts of only two fairly developed agriculture industrial value chains, dairy and sugar. The Plan targets to develop another three including coffee, vegetable oils, and fish. The choice for coffee is based on the fact that is widely grown, and a major

contributor to export earnings, while vegetable oil has broad industrial applications in food processing, cosmetics, animal feeds, and biofuels making it highly strategic for industrial development. It also has great potential to increase household incomes, employment, and wealth creation. Regarding fish, the global demand for fish products especially Nile Perch and Tilapia is highly driven by the health-conscious consumer trend towards white meat and omega-rich oils. Development of the fish value chains with processing industries will greatly enhance export revenue. In addition, priority crops based on agro-ecological zones will be prioritized using PDM.

170. **Uganda has made strides in developing the human resource necessary for enhancing agricultural productivity and value addition, although notable gaps persist in certain areas.** Over the past five years, institutions such as Makerere University, Busitema University, Bukalasa Agricultural College, and Nyabyeya Forestry College, along with various technical and vocational education and training (TVET) centres, have collectively produced more than 8,500 graduates, including agronomists, agricultural technicians, and extension officers. Despite this progress, the demand for skilled professionals in the agro-industrialization value chain is outpacing supply. The Agro-industrialization program anticipates a need for about 15,000 agricultural extension officers by 2030, while only 8,000 are currently available. Furthermore, the anticipated demand for agricultural engineers is 1,650 far exceeding the current supply of 960 revealing a critical skills gap in this field. Other acute shortages are particularly noticeable in specialized fields like agricultural risk management and finance, while programs like the Presidential Initiative on Agro-Industrialization for Local Economic Development (AGRI-LED) have trained over 1,000 extension officers. Moderate shortages exist in agronomy, agroforestry, and livestock nutrition, with available training programs inadequate to meet demand. Meanwhile, there is an oversupply of labour in lower-skilled roles, such as subsistence farming, where many workers lack formal education. Addressing these gaps is essential for meeting the sector's evolving needs. For details, refer to the annex on programme human resource requirements.

171. **To enhance value addition to agricultural products, this programme focuses on:** development and operationalization of value addition infrastructure; strengthening harvest and post-harvest handling; enhancing production and competitiveness of agricultural products for domestic, regional and international markets; strengthening specialized extension services; strengthening the adoption and integration of STI in agriculture; strengthening farmers field schools and cooperatives; de-risking agro-industry; eliminating counterfeits & low quality agro-inputs; and strengthening coordination, legal, and institutional framework for agro-industry.

6.3 Programme Objectives

172. The objectives of this Programme are to:

i) Sustainably increase production and productivity in agriculture;
ii) Improve harvest & post-harvest handling and storage;
iii) Develop, operationalize, and optimize value addition infrastructure;
iv) Increase access to agricultural finance and insurance;
v) Increase market access and competitiveness of agricultural products in domestic and international markets; and
vi) Strengthen coordination, legal, and institutional framework for agro-industry.

6.4 Programme Results

173. The desired high-level Programme results by the year 2029/30 are:

i) Increased Agriculture sector growth rate from 5.1% in Fy2023/24 to 8%;
ii) Increased export value of priority commodities and their processed products from USD 2.5 million to USD 4.8 million;
iii) Reduced the import value of agro-based products from USD1096 million to USD 600 million;
iv) Increase the yield of priority agricultural commodities by 50%;
v) At least 60,000 jobs created by agro-processing industries/factories annually;
vi) Increased food and Nutrition security from 71% to 85%; and
vii) Increased the share of agricultural financing to total financing from 11.3% to 15%

6.5 Interventions

174. To achieve the above results, the following interventions (Table 6.1) have been prioritized under this Programme

Table 6.1: Programme Interventions

Interventions	Actors
Objective 1: Sustainably increase production and productivity in agriculture	
1. Undertake and support appropriate research and genetics improvement and uptake a. Update 15 soil sheets from a scale of 1:250,000 to a scale of 1:50,000U and promote soil testing services b. Construct agricultural research support facilities (laboratories, screen houses, incubation centres, technology demonstration centres, livestock handling structures, fish handling facilities, etc.) c. Disseminate and promote technologies for food and nutrition to Technology Uptake Pathways d. Produce semen, breeder seed, and Early Generation Seed (EGS) for priority commodities to support private sector business development and PDM	MAAIF, NAGR&DB, NARO, MoLG, LGs
2. Increase access to and use of water for agricultural production a. Establish appropriate farm water reticulation systems, solar-powered irrigation systems, deep production wells, multi-purpose bulk water infrastructure, groundwater extraction and community	MAAIF, MWE, NAGRC&DB, MLHUD, OPM, MTIC, MGLSD, NPA, NEMA, OPM

Interventions	Actors
watering points, gravity flow irrigation schemes, micro-irrigation systems for farmer groups b. Provide water for production for Karamoja region 3. Increase access to appropriate agricultural mechanization and farm power a. Acquire sets of walking tractors and implements to support the PDM enterprise groups b. Acquire sets of heavy earth-moving equipment c. Establish zonal Agricultural mechanization centers to improve access, train, demonstrate, and test appropriate agricultural mechanization technologies and equipment d. Set up and equip Regional Farm Service Centres in different agro-ecological zones	MAAIF, NAGRC&DB, LGs, OWC MAAIF,
4. Increase the uptake of fertilizers a. Establish partnerships with the private sector to allow mass production of fertilizers and soil testing kits b. Provide subsidies to farmers to access fertilizers c. Register fertilizers, fertilizer dealers, and premises to foster standards enforcement	NARO, MAAIF, LGs, OWC, OP, NAGR&DB,
5. Produce, multiply, and distribute quality seed and inputs a. Establish the National Seed Company b. Conserve indigenous plant and animal genetic resources c. Equip the National Seed Testing Laboratory (NSTL) to optimal operation d. Establish high-capacity fish ponds and attendant fish hatcheries for the production of fingerlings	MAAIF, NARO
6. Strategically invest in the fisheries sub-sector and aquaculture development a. Accredit the Uganda Fisheries Laboratory to international standards b. Assess, acquire, and restock understocked water bodies c. Conduct surveillance and certification of fish processors, register and license fishers d. Construct/improve zonal aquaculture indoor hatchery and cage culture facilities for massive fingerling production e. Establish aqua parks, each with 150 ponds, a hatchery, a mini fish feed mill, and an artificial wetland. f. Establish fish quarantine centres at border posts g. Support national and regional feed processors to produce quality fish feed, with feed processing equipment	MAAIF, UCA, MTIC, LGs, OWC, KCCA, MoFPED, MoLG
7. Strengthen farmer organizations and cooperatives ecosystems a. Acquire enterprise-specific equipment for PDM SACCOs (animal feed processing equipment, post-harvest handling and value addition equipment, water harvesting equipment, production enhancement equipment) b. Build capacity of farmer groups, MSMEs, and cooperatives in post-harvest handling and value addition, enterprise selection, and profiling c. Identify and build the capacity of higher-level farmer organizations for production and collective marketing of produce d. Inspect and regularly audit farmer cooperatives 8. Strengthen pest, vector, disease management and control a. Acquire and distribute livestock vaccines (FMD, LSD, CBPP, PPR, Anthrax, Brucellosis), acquire and distribute key pest, vector and disease control equipment for PDM SACCOs b. Build capacity of Extension staff in Integrated Pest, Vector, and disease control	MAAIF, NAGRC&DB, NARO

Interventions	Actors
c. Construct a national agricultural diagnostic laboratory and support center (Biosafety Level 3 Lab) and Zonal laboratories and compliance centres (Biosafety Level 2 Lab)) d. Develop ICT applications to digitize animal disease field case-based diagnosis, surveillance, and reporting e. Establish and equip 2 inland Quarantine stations, animal and plant laboratories at border districts f. Undertake regular crop/livestock/fisheries pests and disease surveillance to establish the pest status and demonstration of control technologies 9. Strengthen the agricultural extension system a. Conduct specialized training programme for extension workers on specific value chains within their jurisdictions b. Equip and facilitate extension workers to provide extension services to farmers at parish level to support the PDM c. Recruit extension staff for every sub-county d. Roll out and upgrade the ICT-enabled extension system to all Local Governments e. Support out-grower/ smallholder farmers through nucleus farmers 10. Support to large-scale commercial farming entities a. Profile and support Government institutions to produce seed and animal feed for PDM farmers b. Support large-scale commercial farmers with production enhancement equipment e.g., tractors, irrigation infrastructure, processing, and post-harvest handling equipment 11. Promote climate adaptation and mitigation practices a. Generate agricultural climate smart (drought tolerance, disease and pest tolerance, water use efficiency, early warning systems, and environmentally friendly) technologies for livestock, crop, fish, and forestry b. Promote agroforestry on Government ranches and farms c. Train farmers in animal waste utilization and management (biogas & composting), pasture feed production and conservation and set up pasture demonstration gardens d. Develop and disseminate carbon farming strategic plan and guidelines	KCCA, MAAIF, MoLF, LGs, OWC MAAIF, UPDF, Uganda Prisons, NARO, MWE, NAGRC&DB MAAIF, NAGRC&DB, NARO, NPA, OWC
Objective 2: Improve harvest, post-harvest handling and storage	
1. Establish and operationalize appropriate post-harvest handling and storage facilities and infrastructure a. Establish and stock 2 National food and seed reserve facilities b. Construct cold rooms in markets and acquire regional meat cold chain transportation trucks c. Establishment of animal feed storage facilities on NAGRC ranches and farms d. Rehabilitate 10 dilapidated milk collection centers and handover to Dairy cooperatives to manage. e. Construct of milk collection centres, install milk coolers and acquire mobile Milk Collection Centre for Karamoja region 2. Provide appropriate harvest, post-harvest handling, and storage technologies a. Provide farmers with appropriate post-harvest handling technologies for priority and emerging high-value agro-commodities	KCCA, MAAIF, MTIC, NAGRC&DB, OPM, MoLG, LGs, OWC MAAIF, NARO, MTIC UNBS, MAAIF, MTIC, LGs

Interventions	Actors
3. Ensure compliance with standards at harvesting, post-harvest handling, and storage a. Conduct training of value chain actors in harvest, post-harvest handling and storage, quality control and compliance standards b. Undertake inspections and conformity assessments to warehouse standards c. Undertake refurbishment of warehouse facilities	
Objective 3: Develop and operationalize value-addition infrastructure	
1. Establish appropriate value-addition infrastructure linked to PDM a. Acquire and distribute value addition and agro-processing equipment (roasters, millers, crushers, chippers, packaging & grading equipment) for farmer organizations b. Assess and evaluate the performance of agro-processing facilities in LGs for improved functionality, c. Equip, repair, and revamp non-functional agro-processing facilities in LGs to optimal functionality d. Designate and develop agro-export processing zones e. Establish a coffee soluble plant, 10 mini dairy processing plants, cocoa processing factory, animal feed processing plants, floating fish feed plant, potato processing factory, grain processing factory, tea processing plant, meat processing factory, etc through PPP arrangement. 2. Invest in appropriate agro-processing and value-addition technologies a. Skill youth and women in dairy value addition b. Train value chain actors in agro-processing and value-addition techniques 3. Establish and ensure compliance with requisite standards a. Develop and enforce food and feed agro-processing standards b. Enforce compliance with food fortification standards for recommended food vehicles c. Train agro-processors in quality management systems (HACCP, ISO)	MAAIF, MTIC, UDC, UWEP, MoLG, MoFPED, MoFA, NPA, NAGRC&DB, MAAIF, UIA, MTIC, MoES LGs, MAAIF, UNBS, MTIC
Objective 4: Increase market access and competitiveness of agricultural products in domestic, regional and international markets	
1. Promote market penetration for agro-based products a. Coordinate and support export-ready SMEs / companies to participate in trade-related events such as world EXPOS, trade fairs, and exhibitions regional and international. b. Negotiate and secure market for priority Agricultural products c. Promote product differentiation through profiling Geographical Indications for agricultural products for registration d. Update and roll out the Uganda Market Information System e. Create business & market linkages through commodity platforms. 2. Establish and maintain appropriate market infrastructure a. Develop and integrate National Coffee Traceability Modules into the Geospatial/coffee registry system, develop and rollout a livestock traceability system b. Construct and equip slaughter facilities and livestock markets c. Construct 2 export animal quarantine holding grounds, a National Agricultural Food Safety Laboratory & Support Centre (Biosafety Level 3 Lab) d. Establish a national sanitary and phytosanitary export training and demonstration facility at Namalere 3. Strengthen compliance to product quality requirements and standards	MAAIF, MTIC, URSB, NEMA, MoFA MAAIF, LGs, MoFPED, MoPS, MoWT MAAIF, MTIC, NARO,

Interventions	Actors
a. Construct a national and 5 regional coffee analytical laboratories (Mbale, Mbarara, Gulu, Masaka, and Hoima) b. Develop and promote sustainable mycotoxin management technologies c. Identify and train MSMEs involved in the production in sanitary and phytosanitary standards d. Inspect and certify commercial farms and animal product processing establishments, feed processing establishments, animals and animal products for conformity to requisite standards. e. Ensure compliance to food safety standards across the food systems for market access for priority commodities	NAGRC&DB, UNBS,
Objectives 5: Increase access to agricultural finance and insurance	
1. Strengthen the policy environment for agricultural finance and insurance a. Finalize and enforce the National Agriculture Finance & Insurance Policy 2. Promote affordable agricultural financing mechanisms a. Develop and pre-test warehouse receipt financial products with various financial institutions b. Establish a cooperative bank c. Provide financial support to agro-based enterprises through ACF, UDB, and MSC d. Provide subsidies for the purchase and hire of tractors and assorted farm implements 3. Scale up agricultural insurance a. Provide affordable agriculture insurance packages through UAIS b. Sensitize farmers on agricultural insurance	MAAIF, MoFPED, LGs MoFPED, BOU, UDB, MTIC, MAAIF IRA, MAAIF, LGs
Objective 6: Strengthen coordination, legal, and institutional framework for agro-industry	
1. Improve, policy, legal and institutional framework in agro-industry a. Undertake Regulatory Impact Assessments and stakeholder consultations, and draft Cabinet principles for all the planned policy and law reviews b. Develop and review Strategies (Agricultural chemical (control) Act Cap.35 and develop relevant regulations, Review the Pesticide residual monitoring plan, the Cotton Development Act Cap. 36, Develop/ review laws, regulations and policies for Fisheries and Aquaculture management and development) c. Conduct software upgrade, maintenance, connectivity and servicing of ICT infrastructure Equipment d. Mainstream gender and other cross-cutting issues across agro-industry e. Review and update Client charter and communication strategy 2. Improve administrative infrastructure a. Undertake staff capacity building (mentoring, training, coaching, performance management) b. Construct Coffee Hubs to skill youths on coffee in activities in selected universities of Mbarara, Gulu and Busitema c. Equip existing agricultural research laboratories with requisite equipment for 16 PARIs d. Train agricultural staff to enhance performance at various levels (PhD, Masters, Research &Professional courses) e. Construct new and rehabilitate administrative infrastructure (Offices, training halls, repair, equip and furnish premises)	MAAIF, MTIC NAGRC&DB NARO, OPM MPS, MWE, KCCA, MoPS, MoJCA, MoWT, MLHUD, NPA, MEMD

Interventions	Actors
3. Strengthen planning, coordination, monitoring and evaluation for improved service delivery a. Conduct the Joint Agro-Industrialization programme Annual Review (JAPAR) b. Convene Programme Working Group meetings and Coordinate Programme Working Group activities, including coordination meetings on the implementation of the Uganda food systems pathway c. Develop, roll-out and maintain an Agro-Industrialization Management Information System d. Undertake programme, project and PDM activity monitoring and evaluation	

Source: Programme secretariat, 2024

6.6 Implementation Reforms

175. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years.

i) Government to adopt a business model in the multiplication and distribution of quality seed through establishment of a national seed company.
ii) Adoption of a cost sharing mechanism between Government and farmers in the acquisition and distribution of livestock vaccines and establishment of a revolving fund that will sustain continued vaccine purchase.
iii) Finalize and implement the Agriculture Finance policy to create credit lines rather than omnibus (pooled) funding. This will aid appropriate value-chain financing for the priority value chains.
iv) Harmonizing EAC legal frameworks related to Agro-industry to remove NTBs
v) Programme risks and mitigation

176. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) **Climate change and weather extremes.** Climate change is a persistent and high-likelihood risk that leads to extreme weather conditions like prolonged droughts or floods. These extremes can severely reduce agricultural production and productivity, particularly in rain-fed agricultural systems. If not mitigated, these may destabilize agro-industrial supply chains and create financial losses for farmers and agro-processors. Climate-smart agriculture practices, coupled with irrigation and water management systems are, therefore, crucial to mitigating these effects and sustaining production during adverse weather conditions.
ii) **The declining Official Development Assistance.** The majority (80%) of AGI funding is through donor support. The declining Official Development Assistance poses implementation risks including halting and disruption of major projects. This is a potentially high risk to the sustainability of the AGI program, as insufficient funding

would lead to delays or incomplete project execution. To mitigate this, the programme should ensure timely completion of the projects to free up resources for other projects, increase allocative efficiency, and attract diverse funding such as climate-smart agriculture financing.

iii) **Sudden unfavorable policy changes.** Unexpected policy changes, such as the EU deforestation regulation (EUDR), are to present non-tariff barriers, that will affect agricultural incomes from coffee and other agricultural products. These changes can make market access difficult, both locally and internationally, reducing the competitiveness of Uganda's agricultural products. The impact can be significant, especially for SMEs trying to penetrate regional and global markets. The mitigation approach involves leveraging commercial diplomacy and maintaining active engagement in regional and international trade dialogues to stabilize policies and minimize the impact of such sudden changes.

iv) **Dependence on smallholder farmers.** Smallholder farmers are the backbone of Uganda's agricultural sector, but their vulnerability to climate, market, and financial shocks poses a high-likelihood risk. Dependence on these farmers for industrial raw materials can lead to supply disruptions, particularly during periods of low productivity or crises. The impact on agro-industrialization is severe, as consistent raw material supply is critical for processing industries. To mitigate this, the programme should support commercial farmers with capacity to ameliorate the impacts of climate, market and financial shock as well ensuring sustainable supply of produce. In addition, smallholder farmers should be supported with improved access to inputs, technology, and financial services to build their resilience and ensure a stable supply chain.

v) **Counterfeit agricultural inputs pose a significant risk to agro-industrialization programme.** The use of fake seeds, fertilizers, and agrochemicals can severely undermine agricultural productivity and economic growth. The likelihood of counterfeit inputs entering the supply chain is high, given the weak regulatory enforcement and widespread informal markets. Farmers may inadvertently purchase substandard or fake products, especially in rural areas where quality control measures are less stringent. The impact of counterfeit inputs is far-reaching: poor-quality seeds lead to low germination rates and reduced yields, fake fertilizers fail to provide essential nutrients, and ineffective or harmful agrochemicals can damage crops or soil health. This may result in significant financial losses for farmers, reduced income, and compromised food security. On a broader scale, counterfeit inputs erode trust in the agricultural input supply system which discourages investment. Ultimately, the cost includes reduced productivity and lost export opportunities. To mitigate this risk, the programme should strengthen regulatory enforcement by increasing inspections, conducting random testing, and implementing stricter penalties for counterfeiters. Introducing digital traceability systems, such as QR codes or blockchain, would enable farmers to verify the authenticity of inputs. Enhancing farmer education through training and extension services can raise awareness about identifying genuine products. Supporting certified agro-dealers and promoting cooperative procurement will increase the availability of authentic inputs.

CHAPTER 7: SUSTAINABLE EXTRACTIVES INDUSTRY DEVELOPMENT

7.1 Introduction

177. **The extractives industry is a major source of revenue, infrastructure development, and economic diversification**. The exploitation of extractives provides raw materials for resource-based industrialization and generates substantial revenue through taxes, royalties, and export earnings, which can be reinvested in key areas such as education, healthcare, and infrastructure. The extractives industry stimulates the development of related industries, such as energy, manufacturing, and transportation, and fosters economic diversification. Additionally, by generating employment opportunities and promoting skills transfer, the industry contributes to human capital development and poverty reduction.

178. **The extractives industry is central to achieving the aspirations of the Plan.** It provides essential raw materials to drive the value-addition agenda, bolstered by the application of STI. Value addition to the extractives through beneficiation and refining can transform the economy by building primary, secondary, and tertiary industries such as petrochemicals which will create new sources of growth. It also provides raw materials that will be essential for the development and maintenance of priority infrastructure such as the SGR & MGR lines, GKMA roads, stadia for AFCON, STI parks, and industrial zones. The programme will contribute to revenue generation through taxes and royalties which can be reinvested in other priorities. It will facilitate the implementation of EMYOOGA by supporting the artisanal and small-scale miners.

179. **The extractives industry contributes to the realization of the global, regional, and national development Agenda**. SDG (Goal 12.2) and Africa Agenda 2063 (Goal 7) seek to achieve the sustainable management and efficient use of natural resources; and (SDG 7): which targets to achieve affordable and clean energy through optimally exploiting resources. The EAC Vision 2050 (Pillar 4) seeks to invest in effective and sustainable use of natural resources to enhance value addition and management. The Uganda Vision 2040 aims to commercialize oil and gas in a feasible and sustainable manner and promoting mineral beneficiation through value addition.

180. **The potential of extractive industry to drive resource-based industrialization is hindered by:** inadequate value addition, transportation & storage infrastructure; rudimentary mining methods & informality in the mining industry; inadequate human & institutional capacity to carry out exploration, monitoring, quantification, & classification activities; limited local capacity to participate in the extractives industry; and weak legal, coordination & regulatory framework.

181. **The goal of this programme is sustainable exploitation**, **value addition, and commercialization of extractives for resource-based industrialization.**

7.2 Situation Analysis

182. **There has been progress in establishing value addition, transportation, and storage infrastructure for minerals, however, it is inadequate, underutilized, and dilapidated.** Value addition infrastructure in form of cement and ceramics factories (marble, limestone, pozzolana, feldspars, and koalin), refineries for gold, and smelting plants for iron ore and tin have been established. Two beneficiation centres have been established in Ntungamo and Kabarole districts to support value addition. Establishment of minerals analysis laboratories is ongoing to cover all the mineral resources in the country. However, these are yet to be ISO accredited and lack analytical techniques for some minerals. The processing of iron ore is hampered by high cost of importation of coal as a reducing agent and inadequate infrastructure specifically transport and energy. In regards to phosphates the established infrastructure is not operational due to internal litigation challenges. Copper mining and processing is hampered by dilapidated infrastructure.

183. **Similarly, there has been progress in establishing value addition, transportation, and storage infrastructure for petroleum, however, it is inadequate.** Construction of support infrastructure such as roads, an international airport, and water transport infrastructure. There is significant progress in development of the East African Crude Oil Pipeline (EACOP) such as land acquisition, resettlement of affected persons, and commencement of construction. Land for construction of the refinery has been acquired. A feasibility study consultant for the natural gas pipeline has been procured. However, there has been delays in construction of the refinery and its attendant infrastructure which is the basis for development of the downstream petrochemical industry. The pipeline for importation of refined products through the port of Dar es Salaam and a natural gas pipeline from Tanzania are yet to be constructed. There is limited petroleum storage capacity in the country.

184. **There have been efforts to reduce informality and increase adoption of appropriate technologies in the mining industry, however, use of rudimentary methods and informality persist.** Two mineral beneficiation centers to train and skill miners in best mining equipment use and practices have been established. The artisanal miners are being organized, registered, and licensed to undertake mining activities. Between FY2020/21 and FY2023/24, 4,400 small-scale miners were registered and 24 associations have been formed. However, the mining industry is muddled with rudimentary mining methods that have a negative implication on the environment and the safety of miners. The mining industry is majorly informal and dominated by artisanal miners making it hard to regulate the industry. These artisanal miners lack modern equipment, skills, and technology to exploit the minerals.

185. **There have been efforts to increase the stock of skilled human capital for the extractives industry, however, these are inadequate and with skills gaps.** Uganda Petroleum Institute-Kigumba has been equipped to provide internationally certified training programs in

petroleum. In addition, several other public and private institutions are providing training in geosciences and engineering courses. Through partnerships with private and development partners, 11,021 Ugandans have been trained, in both technical and vocational aspects of the petroleum industry between 2017 and 2022, with 940 attaining industry certifications. However, there are scarcities in the disciplines of geologists, geochemists, geophysicists, mining engineers, metallurgists, and entry-level & mid-level technicians & technologists. In addition, many of those trained lack internationally recognized certifications which is essential for employment in the industry.

186. **There have been efforts to increase local participation in the extractives industry, however, the capacity of locals to effectively participate is limited.** Enterprise capacity building programmes have been undertaken with over 200 MSMEs trained in business development. In addition, knowledge transfer programmes through joint ventures have enabled local companies to participate in the petroleum industry. The number of local companies on the National Supplier Database (NSD) for oil and gas increased to 1,627 in FY2021/22 from 513 in FY2017/18. Uganda companies are estimated to have supplied goods and services worth USD 1.04 billion (25%) out of the total investment in the sector by end of December 2023, up from USD 524 million in September 2022. Local companies made USD 1.7 billion (25%) through direct tier 1 contracting and USD 758 million through tier 2 subcontracting from international companies by the end of December 2023. However, the limited training, financial capacity, and access to opportunities hinders the effective participation of local enterprises. The National Local Content Fund, which was intended to ease the financial constraint of local firms is not yet operational.

187. **The legal, regulatory, and institutional capacity of the extractive industry has improved; however, gaps exist and enforcement is hindered by inadequate regulations.** The Mining and Minerals Act, Cap. 159 makes provisions for establishment of the National Mining Company which is expected to increase national participation, optimize exploration, exploitation, and commercialization of minerals, as well as formalization and strengthening regulation of miners. The petroleum policy has been reviewed to cater for the entire petroleum value chain, however, there is no enabling legislation to establish and operationalize the local content fund. In addition, regulation of the downstream petroleum and mining industries is inadequate due to lack of coordination between the central and local governments. Further, the National Mining Company is yet to be fully operationalized and capitalized.

188. **Progress has been made in building the human resource capacity needed for sustainable exploitation, value addition and commercialization of extractives, though substantial gaps persist.** Institutions like Makerere University, Kyambogo University, the Uganda Petroleum Institute Kigumba (UPIK), and many technical and vocational education and training (TVET) centres have collectively produced over 5,000 graduates in fields related to the extractives industry over the past five years, including petroleum engineers, geologists,

and environmental scientists. However, the expansion of Uganda’s oil and gas, as well as mineral sectors has outpaced the current supply of skilled professionals. For instance, the program projects that by 2030, Uganda will need approximately 960 petroleum engineers, but currently only about 417 are available. Acute and moderate shortages are particularly evident in fields such as geophysicists, pipeline engineers, petroleum lawyers, environmental scientists, and refinery technicians. Conversely, there is an oversupply of labour in areas such as artisanal miners, mineral processing workers, and quarry labourers. These gaps indicate a significant misalignment between the current supply of labour and the projected demand, which is critical to fulfilling Uganda’s sustainable extractives development goal. For details, refer to the annex on programme human resource requirements.

189. **To ensure sustainable exploitation, value addition, and commercialization of extractives, the programme focuses on:** increasing value addition, transportation & storage infrastructure; increasing the adoption of appropriate mining technologies & practices; formalizing the mining industry; enhancing human and local enterprise capacity to participate in and develop the extractives industry; and strengthening the policy, legal, institutional & regulatory framework.

7.3 Program Objectives

190. The objectives of this Programme are to:

i) Increase exploration and quantification of the extractives.
ii) Increase production and commercialization of the extractives.
iii) Increase investment in value addition, transportation, and storage infrastructure.
iv) Enhance human and local enterprise capacity to participate and develop the extractives industry; and
v) Strengthen governance, coordination, and innovation for the extractives industry.

7.4 Program Results

191. The desired high-level Programme results by the year 2029/30 are:

i) Increased national storage for refined petroleum products from 99.1 million Liters to 150Million Liters;
ii) Increased oil and gas revenue from UGX 62.98Bn to UGX 265Bn;
iii) Increased number of Ugandans employed in the extractives industry from 5,000 to 50,000 whilst ensuring gender and regional equity;
iv) Increased contribution of the extractives industry to GDP;
v) Increased value of investment in value addition for selected minerals from USD 0.8Bn to USD 2Bn;
vi) Increased value of investment in production and development of oil and gas resources from USD 0.8Bn to USD 2Bn;

vii) Improved extractives industry governance effectiveness index; and
viii) Increased programme performance from 65% in 2022/23 to 85%.

7.5 Interventions

192. To achieve the above results, the following interventions (Table 7.1) have been prioritized under this Programme.

Table 7.1: Interventions under this Programme and respective actor

Interventions	Actors
Objective 1: Increase sustainable exploration of extractives	
1.1 Enhance the country's extractive resource potential a) Undertake exploration and quantification of the oil and gas frontier basins, priority minerals, and geothermal resources.	MEMD, MoFPED, PAU, UNOC, UNMC, NEMA, OP, parliament, LGs, Joint Venture Partners
1.2 Undertake licensing, regulation, and monitoring of the operations in the extractives industry	MEMD, MoFPED, Parliament, MoJCA, OP, MoWT, UCAA, UNRA, MoLHUD, PAU, MWE, MoFPED, UNOC, MoICT&NG, LGs
Objective 2: Increase sustainable production and commercialization of extractives	
2.1 Increase the production of the country's extractive resources; a) Establish and functionalize laboratory network for extractives b) Produce crude oil to feed the EACOP and the Refinery, c) Prioritize production of Gold, Iron ore, Limestone (Mn Tons), Tin, Tungsten, Tantalite, Rare Earth Elements, Phosphate, Pozzolana, Marble, d) Develop mining fields and processing plants for the priority minerals, e) Develop the refinery and pipelines	MEMD, MoFPED, PAU, UNOC, UNMC, NEMA, OP, parliament, LGs, Joint Venture Partners
2.2 Improve the security of the supply of petroleum products a) Upgrade/Expand Jinja Storage Terminal infrastructure. b) Develop Kampala Storage Terminal to support bulk trading operations. c) Implement project readiness activities for the regional strategic storage terminals (Hoima, Mbarara, Gulu, Arua, Mbale, Soroti).	MEMD, MoFPED, PAU, UNOC, UNMC, NEMA, OP, parliament, LGs, Joint Venture Partners
Objective 3: Increase investment in extractive value addition	
2.1 Construct, regulate, and monitor the development of extractive infrastructure a) Oil refinery b) Kabalega Petrochemical Based Industrial Park c) Mineral markets and buying centres d) Mineral Beneficiation and Training Centers e) Geothermal Direct Use Facilities f) Minerals Analytical Laboratory g) Computerized weigh bridges	MEMD, PAU, UNOC, UNMC, Joint Venture Partners
2.2 Capitalize UNOC to fully participate in petroleum activities.	MEMD, MoFPED, UNOC
2.3 Capitalize Uganda National Mining Company (UNMC) to fully participate in the mining industry	MEMD, MoFPED, UNMC
2.4 Secure supply of petroleum products	MEMD, UNOC, MoFPED
Objective 4: Enhance human and local enterprise capacity to participate in and develop the extractives industry.	

Interventions	Actors
4.1 Enhance local capacity to participate in the extractives industry a) Standardize and accredit Uganda's local goods and services to ensure increased competition and consumption in the oil and gas sector, b) Facilitate the participation of Uganda's private sector and increase the employment of Ugandans in the extractives industry. c) Support the Industry Enhancement Centre to develop skills of SMEs and technology transfer.	MEMD, PAU, UNOC, UNMC
Objective 5: Strengthen the policy, legal, institutional & regulatory framework	
Interventions	
5.1 Strengthen the extractives industry policy and regulatory framework a) Review and amend laws (Building substance, Earth Science registration, National Content fund, Petroleum Supply Act Cap.163 as amended, The Petroleum (Refining, conversion, Transmission and midstream storage) Act Cap.162. b) Review and amend laws (Building substance, Earth Science registration, National Content fund, Petroleum Supply Act 2003 as amended, Petroleum Upstream and Midstream Act 2013) c) Inspect, monitor, and enforce regulations (Artisanal mining; Geoscientific services; Mineral beneficiation; Mine health, safety, and environment; Geothermal direct use; National content and community engagement; Liquefied petroleum gas) d) Review and update policies (Mining and Minerals Policy 2018; and Oil and Gas Policy 2008)	MEMD, MoPS, OP, Parliament, PAU, MoJCA, MoFPED, UNBS
5.2 Strengthen the extractives industry research and innovation ecosystem a) Construct a national geological specimen repository b) Equip Petroleum Data Repository c) Refurbish the Geological Museum d) Establish a national seismological and geohazard monitoring network e) Establish a resource center for extractives	MEMD, MoES, MoICT, PAU, MoLHUD, STI Secretariate, Academia, Private Sector, Development Partners
5.3 Strengthen extractives industry planning, monitoring, coordination, and management a) Risk management system b) Monitoring and Evaluation System c) National Petroleum Information system d) Mining Cadaster e) Geological Management Information System f) Programme working group secretariat services	MEMD, MoPS, MoFPED, OPM, PAU, UNMC, UNOC, OP, UBOS, Parliament, Private sector
6 Strengthen investment promotion, mobilization, and coordination through:	MEMD, MoFPED, MOFA, UIA,

	a) Develop and implement monitoring and control systems for the extractive industry activities b) Develop and implement an extractive risk management framework for the extractive industry	Development Partners, Private Sector
7	Enforce quality, health, safety, security, environment, and social safeguards	MEMD, MoWE, PAU, NEMA, MoGLSD
8	Strengthen governance and accountability systems in the extractives industry a. Enforce compliance to the Extractives Industry Transparency Initiative.	MEMD, OP, MoJCA, MoFPED, UBOS, OAG, ERA, Parliament
9	Strengthen the human and institutional capacity in the extractives industry a. Establish the National Extractives Industry Workforce Training Program b. Support artisanal and small-scale miners' associations.	MEMD, MoPS, MoES, Academia
10	Foster and leverage local, regional, and international partnerships	MEMD, MoFA, MEACA, Development Partners, Private Sector, CSOs.
11	Acquire land for extractives industry infrastructure development projects a. Natural gas pipeline, b. LPG Storage terminals, c. Minerals Data Repository, d. Refined products pipeline.	MEMD, MoGLSD, MoLHUD, MoFPED, LGs, UNOC, UNMC, Development Partners

Source: Programme Secretariat, 2024

7.6 Implementation Reforms

193. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years:

i) Establish a minerals revenue management fund to ensure proper management of revenue from extractives.

7.7 Programme risk and mitigation

194. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i)

CHAPTER 8: TOURISM DEVELOPMENT

8.1 Introduction

195. **Tourism plays a vital role in economic development by generating significant revenue, creating jobs, and stimulating infrastructure development**. As a major source of foreign exchange earnings, tourism boosts a country's balance of payments and fosters economic diversification. It drives employment not only within the tourism sector itself such as in hotels, restaurants, and travel agencies but also in related industries, including transportation, retail, and agriculture, which supply goods and services to tourists. Further, tourism encourages investment in infrastructure such as roads, airports, and ICT. It also promotes cultural preservation and conservation of cultural and natural heritage. By promoting local economic development and creating opportunities for small and medium-sized enterprises, tourism contributes to broader economic stability and growth, enhancing the overall quality of life.

196. **Sustainable tourism is key to the realization of the priorities of the Plan**. Investment in the quality of tourism products and services contributes to the value-addition agenda. This is enhanced by supportive infrastructure, connectivity to the tourist sites, and maintenance of standards. This enhances tourist experiences, attracting high-value tourists, and increasing the length of stay & spending, thereby increasing revenue. Effective marketing Uganda as a preferred tourism destination is key to attracting international visitors during the AFCON tournament. By acting as a key off-taker for agricultural products, the tourism industry is a catalyst for increased production which is critical for the success of PDM. The establishment of tourism circuits within GKMA will drive investments in local amenities, such as hotels, restaurants, and entertainment venues, boosting the local economy and providing better services and job opportunities for urban residents.

197. **Tourism development is critical for the realization of global and regional development aspirations**. Agenda 2030 (SDG 8.9, 11.4) emphasizes the need to promote sustainable tourism for job creation, and promotion and conservation of culture & products. Africa Agenda 2063 (Goal 4) targets increasing the contribution of tourism to GDP. The EAC Vision 2050 advocates for joint interventions in highly competitive and high-return tourism activities including issuance of an East African Visa, joint marketing of tourism in EAC, and standardized joint classification of hotels. The Uganda Vision 2040 identifies tourism as one of the opportunities to be harnessed for socio-economic transformation.

198. **The potential of tourism to generate revenue and create jobs is hindered by**: inadequate research and data usage; under-developed tourism products; narrow product range; inadequate tourism infrastructure; tourism skills gaps; insufficient marketing & promotion of Uganda as a preferred destination; weak enforcement of standards and regulations; and insufficient conservation and protection of natural resources.

199. **The goal of this programme is Uganda as a preferred tourist destination.**

8.2 Situation analysis

200. **Tourism is the leading foreign exchange earner and contributes significantly to employment, however, its potential has not been fully exploited.** Tourism foreign exchange earnings have increased to USD1.0 billion in FY2023/24 from USD0.4 billion in 2020/21, however, this is below the pre-COVID level of USD1.5 billion in 2018/19. Similarly, the direct employment in the tourism industry increased to 610,806 in FY2022/23 from 489,000 in 2020/21 which is also below the pre-COVID level of 671,000. The full potential of the tourism industry is hindered by several factors as highlighted below.

201. **Existing tourism attractions have not been fully developed, limiting their potential to generate revenue and employment**. There has been notable investment in key tourism sites. For instance: there has been improvement in trails, affordable climbing gear, and accommodation facilities in Mountain Rwenzori; commencement of the construction of the Kidepo International Airport and hot air balloon services at Kidepo Valley National Park; upgrading the roads, botanical gardens, and hiking trails at Bwindi Impenetrable Forest; and docking piers at the Source of the Nile. However, there are inadequacies in terms of accommodation facilities, transport connectivity, electricity, ICT, water, and safety & rescue infrastructure.

202. **The country's product range is narrow and biased toward wildlife and nature partly due to a lack of profiling of tourist sites**. The tourism offerings have been heavily focused on wildlife and nature tourism, which accounts for more than 75% of all tourists. Murchison Falls National Park accounts for 40%, followed by Queen Elizabeth National Park at 26% and Bwindi Impenetrable Forest at 9%. The potential of other products such as Meetings, Incentives, Conferences and Events (MICE), culture, and faith-based tourism is not fully exploited. Despite attempts to profile the country's tourism potential by regions, this was incomplete, limiting the identification, promotion, conservation, and preservation of regional tourist sites.

203. **There have been notable investments to increase the quantity of tourism infrastructure, however, they are inadequate and with quality gaps.** Over the NDPIII period, 6 tourism roads (251.5km) have been completed leading to Murchison Falls, Queen Elizabeth, and Bwindi Impenetrable National Parks. However, the last-mile connectivity to these and other tourist attractions remains a challenge. Domestic flight connectivity and water transport to the various sites are a challenge. High-end accommodation is limited and there is a lack of luxury accommodation. In addition, only 35 hotels are graded, which compromises the quality of accommodation services. The country has few international standard conference centers which lack exhibition halls. There have been efforts to extend electricity to tourism sites, however, some sites including Kidepo are not yet connected and rely on generators. ICT

connectivity is also a challenge for several tourism sites. There have been efforts to extend ICT connectivity to tourist sites such as Bwindi and Murchison Falls, however, other sites such as Mt. Rwenzori are unconnected.

204. **There have been efforts to increase the stock of skilled personnel in the tourism industry, however, skill gaps persist.** Progress has been made in building human resource capacity for tourism in Uganda. Over 4,000 graduates in tourism-related fields over the past five years, including hospitality management, tour guiding, and wildlife conservation have been trained. However, the growth of Uganda's tourism sector has outpaced the supply of skilled professionals. For instance, projections indicate that by 2030, Uganda will need approximately 19,500 trained professionals, but about 8,800 are currently available, leaving a shortfall of more than 10,000. Acute shortages are evident in roles such as tour operators, conservation specialists, and hospitality managers though, there is an oversupply of labor in lower-skilled roles like casual tour guides and entry-level hospitality positions. Efforts have been made to address these gaps, including investments in refurbishing key institutions like UHTTI and the Uganda Wildlife Research Training Institute. However, these institutions have limited capacity, with UHTTI admitting only 1,000 students annually. Worse still, the private sector has capacity constraints pointing to skills shortages with far-reaching effects. For details see the annex on programme human resource requirements.

205. **There are efforts in research and use of data, however, these are inadequate, undermining proper targeting of markets and product development.** Through annual visitors' satisfaction, accommodation, animal count, and student tracer surveys, efforts have been made to capture data to support evidence-based tourism planning. However, there are still gaps in terms of data on tourists' behavior and preferences which hinders targeted promotion and marketing. Data capture and management is further undermined by a lack of synchronization of the Tourism Information Management Systems and other systems such as Education Management Information Systems and Local Government-Based Management Systems, Labour Management Information Systems, and Private Sector Information Management Systems. There is also limited effort to study the changing global market trends.

206. **Efforts have been made to strengthen Uganda's brand in key destination markets, however, marketing and promotion efforts are limited, ad hoc, and disjointed**. Initiatives such as Destination Market Representatives (DMR), domestic and international media campaigns, development of the *"Explore Uganda, The Pearl of Africa,"* participation in International Tourism Expos, and digital marketing have been undertaken to increase Uganda's visibility. However, these efforts have not adequately showcased Uganda's tourism potential due to a lack of consistency and limited scope of global consumer campaigns. In addition, digital technology has not been adequately leveraged to market the destination. Despite the existence of the tourism marketing strategy, efforts are spread across different agencies (MOFA, UTB, MTWA) and are not in line with the national marketing strategy.

Furthermore, inconsistent communication where negative news is amplified more than positive news undermines marketing efforts.

207. **Efforts have been towards the conservation of natural and cultural heritage; however, challenges exist.** There has been identification and protection of cultural sites**,** construction and equipping of regional museums, gazetting of protected areas and construction of barriers around national parks/protected areas, controlling evasive species, sensitizing communities on the importance of conservation and enforcing the Anti-poaching law. Despite these efforts, challenges of encroachment, evasive species and degradation of ecosystem habitat, human-wildlife conflicts, and poaching persist.

208. **There have been efforts to strengthen the enforcement of standards and regulations, however, capacity is limited.** Initiatives such operationalization of the Uganda Wildlife Act Cap 315, 2019, and enactment of the Museums and Monuments Act, Cap 149 inspection, registration, and licensing of accommodation facilities, have not yielded the desired results. The weak coordination between the centre and local governments poses additional challenges. Some local governments do not have tourism officers to enforce the regulations. In addition, the licensing of tourist operators is still centrally managed. Only 35 hotels in the country were inspected and certified for FY2024/25 in the country.

209. **Progress has been made in building human resource capacity for promoting, conserving and diversifying tourism in Uganda, although significant gaps remain.** Institutions such as Makerere University, the Uganda Hotel and Tourism Training Institute (UHTTI), and the East African Institute of Hospitality and Tourism, Uganda Martyrs University, and various technical and vocational education and training (TVET) centers have over the past five years produced more than 4,000 graduates in tourism-related fields, including hospitality management, tour guiding, and wildlife conservation. However, the growth of Uganda's tourism sector has outpaced the supply of skilled professionals. For instance, the program projects that by 2030, Uganda will need approximately 19,500 trained professionals, but only about 8,800 are currently available, leaving a shortfall of more than 10,000. Acute shortages are evident in roles such as tour operators, conservation specialists, and hospitality managers. On the other hand, there is an oversupply of labour in low-skilled roles like casual tour guides and entry-level hospitality positions. These discrepancies between supply and demand are critical and need to be addressed for Uganda to achieve its tourism development goals. For details, refer to the annex on programme human resource requirements.

210. **In order to harness the potential of tourism for revenue generation and job creation, this programme focuses on**: increasing tourism-related research and uptake; development, improvement, and diversification of tourism products; improving tourism infrastructure (transport, trails, electricity, ICT, accommodation, and MICE); reducing the tourism skills gaps; strengthening and harmonizing marketing & promotion of Uganda as a preferred

destination; strengthening enforcement of tourism standards and regulations; and strengthening conservation and protection of natural resources.

8.3 Programme objectives

211. The objectives of this programme are to:

i) Promote inbound and domestic tourism;
ii) Improve the stock and quality of tourism infrastructure;
iii) Conserve, develop, improve, and diversify tourism products;
iv) Develop skilled personnel along the tourism value chain; and
v) Enhance enforcement of regulation and coordination of the tourism sector.

8.4 Programme results

212. The key high-level results by FY2029/30 are:

i) Increased foreign exchange earnings from USD 1.0 billion in FY2023/24 to USD 10.0 billion;
ii) Increased tourists' length of stay (Nights) from 7.6 in FY2023/24 to 14;
iii) Increased average inbound expenditure per leisure tourist from USD 1,550 in FY2023/24 to USD 3,100;
iv) Improved the level of tourist satisfaction from 79% in FY2023/24 to 85%;
v) Increased domestic tourism expenditure from Shs. 3,675.24 billion in FY2023/24 to Shs. 7350.0 billion; and
vi) Improved Programme performance from 57.7% in FY2023/24 to 70%.

8.5 Interventions

213. To achieve the above objectives, NDPIV will prioritize the following interventions under this program:

Table 8.1: Programme interventions and respective actors

Interventions:	**Actors:**
Objective 1: Promote inbound and domestic tourism	
1. Market and promote Uganda's tourist attractions in domestic and key source markets (Americas, Europe, Africa, China, Japan, and Asia): a. Hire market destination representative firms in key source markets b. Undertake aggressive marketing & promotion (media advertising and Roadshows) in Key source markets c. Participate in expos/activations including media activations 2. Invest in Uganda's image and the "Pearl of Africa" destination brand and roll it out in key tourist source markets:	UTB, MICT(UBC), MOFA, MTWA, UPF, UPDF, AUTO, UTA, KCCA, LGs, Academia and Research institutions

a. Develop and implement an elaborate communication strategy in partnership with main and nonmainstream media b. Carry out brand marketing campaigns c. Brand foreign missions in key source markets 3. Invest in MICE promotion, facilities, and bidding for major international conferences and events 4. Undertake and improve uptake of tourism-related research and market intelligence a. Invest in tourism data capture, management, and utilization	
Objective 2: Improve the stock and quality of tourism infrastructure	
1. Develop and improve tourism infrastructure (hotels, airstrips, roads, ICT, safety and rescue, water transport & ports, and electricity). 2. Develop infrastructure and facilities to operationalize the GKMA tourism circuit: a. Establish GKMA Heartland circuit 1 Start/End station at National Theatre b. Operationalize GKMA Heartland Circuit 1 (tours, signages, rest points). 3. Develop tourism recreational zones a. Map out, gazette, and provide the framework for the establishment of Tourism Recreational Zones b. Engage the relevant authorities to provide amenities (Water, Electricity and ICT) to Tourism Recreational Zones	MTWA, UTB, UWA, UPDF, UPF, MoWT (UNRA), KCCA, LGs, MEMD, MoICT&NG, Private Sector.
Objective 3: Conserve, develop, improve, and diversify tourism products	
1. Conserve Uganda's natural and cultural heritage, including wildlife-protected areas (National Parks & Wildlife Reserves) and cultural sites: a. Undertake protected area boundary maintenance including establishing markers; boundary re-affirmation; buffers; wildlife deterrent measures, UWA ranger force deployment, and operations b. Combat poaching, illegal trade, and trafficking of wildlife and wildlife products. c. Conserve and promote religious and cultural heritage sites 2. Prioritize investments in the Country's major tourism products (Rwenzori, Mountains, Mountain Gorillas, Source of Nile, MICE, sports, and cultural heritage) sustainably. a. Establish Road access to priority tourism attraction sites b. Develop facilities and infrastructure for primate tourism (gorilla, chimpanzee, golden monkey) c. Complete the Modern Pier 3. Harness STI and ICT for increased tourism productivity through a. Install ICT infrastructure and ensure the reliability of internet services in priority tourism sites	MTWA, UWA,, Private Sector. MWE, MoICT&NG, STI Secretariat, Cultural Institutions.

Objective 4: Develop skilled personnel along the tourism value chain	
1. Address skills and capacity gaps in the tourism and hospitality industry by a. Upscale training in line with the international tourism training standards, b. Roll out apprenticeship and exchange programs with internationally acclaimed tourism institutions 2. Strengthen the capacity of UHTTI and UWRTI: a. Develop appropriate ICT infrastructure, Classrooms, Labs. b. Upgrade crested crane hotel at UHTTI to enhance training and achieve a higher star rating c. Construct accommodation facilities d. Provide appropriate training machinery and equipment	MTWA, UHTTI, UWRTI, Private Sector, LG, Development Partners, Academia
Objective 5: Enhance enforcement of regulation and coordination of the tourism programme.	
1. Enhance institutional capacity, policy, and regulatory framework: a. Develop regulations, standards, and guidelines for the existing legal frameworks. b. Operationalize the Tourism Development Programme Working Group Secretariat 2. Enforce standards for tourism products and services a. Establish quality marks/ standards for grading of tourism-related facilities b. Expand the capacity of UTB Quality assurance staffing; design and conduct training in quality assurance c. Scale up registration of tour operators, guides, and facility owners 3. Sustain security and safety of tourists and tourist attractions: a. Create and equip a tourism-healthy emergency and evacuation response around priority protected attractions. b. Undertake measures to ensure a malaria-free tourist destination; standards, guidelines, campaigns, etc. c. Operationalize Tourism Police in protected areas d. Review Tourism Policy (2015) to consider emerging trends including sustainable tourism development e. Decentralize Tourism management to promote inclusivity and local economic development	MTWA, UTB, UWA, UPDF, UPF, LG, MOH

Source: Programme Secretariat, 2024

8.6 Implementation reforms

214. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years:

i)

8.7 Programme risks and mitigation

215. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) **External Shocks**: The tourism sector is highly vulnerable to global and regional crises such as epidemics (COVID-19, Ebola, Monkeypox, Cholera), global conflicts, and economic shocks. In particular, the epidemics are pronounced in areas with key tourist attractions, thereby scaring off potential tourists. This would lead to a decline in tourist arrivals and earnings as well as a shift to alternative tourist destinations. In order to mitigate against these risks, the country has to adopt and strictly enforce health protocols and establish emergency response systems at key tourist sites; work with regional and international organizations for timely and effective crisis management; diversify tourism offerings to include domestic tourism and areas less affected by crises.

ii) **Political Instability**: Uganda is generally stable, however, security concerns in the neighboring countries may affect the perception of the region as a safe destination. Although the likelihood of these occurrences is moderate, their occurrence will negatively affect the achievement of the programme results given that the industry is highly sensitive. The potential impact includes a decline in tourist arrivals and revenue, as security is a top concern for international travelers. This can be mitigated by continued investment in national security, enhanced intelligence, surveillance, and playing a pacification role in the region as well as, promoting Uganda as a safe tourist destination.

CHAPTER 9: INNOVATION, TECHNOLOGY DEVELOPMENT, AND TRANSFER

9.1 Introduction

216. **Investing in Science, Technology, and Innovation (STI) is critical for knowledge expansion and unlocking new potentials for growth.** STI enables advancement in new fields and the creation of cutting-edge tools, devices, and systems that drive productivity and competitiveness, accelerating the transition from resource-dependent to a knowledge-based economy. STI unlocks new industries, improves efficiency across sectors, and creates high-value resilient jobs.

217. **Science, Technology, and Innovation has a high potential to generate new sources of growth and improve efficiency in other sectors which is essential for the realization of the Plan's results.** The Innovation, Technology Development, and Transfer (ITDT) Programme provides specialized human capital, precision tools, industrial components, and the requisite STI infrastructure including engineering development centres, innovation, technology, and R&D centres, which are all essential for value-addition in the priority areas. The programme advances the knowledge economy by facilitating the growth of the mobility industry, pathogen economy, industry 4.0+, and infrastructure innovations as well as aeronautics and space science. The programme contributes to revenue generation through the sale of knowledge-based products and services. It also supports cost-effective delivery of social services by providing diagnostics, therapeutics, and vaccines as well as specialized technologies for skilling and human capital development. Furthermore, it will enhance mobility in GKMA by providing sustainable mass public transportation solutions which will also be essential during AFCON.

218. **The programme contributes to the realization of global, regional, and national development aspirations.** Agenda 2030 (SDG 9) emphasizes building resilient infrastructure, promoting inclusive and sustainable industrialization, and fostering innovation. The Africa Agenda 2063 (Goal 2) underscores the need for a skills revolution underpinned by science, technology, and innovation. The EAC Vision 2050 (Education Pillar) advocates for centers of excellence, research, technology development, and STI. The Uganda Vision 2040 stresses the need for the establishment of STI parks, engineering centers, and technology & business incubation centers that meet international standards.

219. **The contribution of STI to the achievement of the priorities of the Plan is constrained by:** limited STI infrastructure; the black box effect; inadequate STI human capital; an underdeveloped STI ecosystem; and an inadequate regulatory environment.

220. **The goal of the Programme is increased commercialization of STI products and services.**

9.2 Situation Analysis

221. **Strides have been made towards the establishment of modern STI infrastructure, however, gaps still exist in the areas of equipment and capacity to ensure a vibrant innovation ecosystem with equitable access.** Achievements include the establishment of two bio-banks at Makerere University Biomedical Research Center and Uganda Cancer Institute, which are vital for research in developing vaccines, therapeutics, and diagnostics. Additionally, two square miles of land have been acquired in Kayunga for the mobility industrial and technology park, which aims to boost the local automotive industry, targeting 65% local content by 2030 and a production capacity of 150,000 vehicles annually. In the area of biosciences, 152 acres have been secured in Nakasongola for a Biosciences Park, with committed funding for utilities and key facilities like a pilot diagnostics and vaccine manufacturing plant, a national biobank, and a Nuclear Magnetic Resonance Spectroscopy (NMR) unit. Other achievements include: a functional Ground Satellite Station and R&D infrastructure for space science at Mpoma and the completion of two centers for engineering development and innovation at Rwebitete, Kuruhura district, and Namanve under the National Science Technology Engineering and Innovation Skills Enhancement Project (NSTEI-SEP). However, there are deficiencies in equipment and capacity to ensure equitable access to STI resources across the country. This includes the completion and operationalization of the facilities already initiated, as well as the expansion of incubation centers and functional science laboratories, which are essential for supporting a vibrant and inclusive innovation ecosystem.

222. **Limited exposure to and understanding of value addition in the product development process, often referred to as the "black box" effect, significantly hinders innovation and technology development.** This phenomenon describes a situation where the processes involved in transforming raw research into commercially viable products are opaque and poorly understood as a result of the education system focusing on the production of raw materials and consumption rather than value addition. Critical stages in the value addition process, such as scaling production, optimizing manufacturing techniques, and integrating market feedback, are not effectively addressed. This lack of clarity and insight prevents effective problem-solving and adaptation, leading to inefficiencies and delays in bringing innovations to market. Consequently, several innovations remain in the pilot phase without reaching full-scale production, value addition initiatives lack necessary support & investment, and there is often a disconnect between research outputs & market needs. Nevertheless, there has been progress in analyzing priority value chains to enable the translation of ideas to commercial products. Notable developments include: establishment of the Kiira Vehicle Plant, which has produced 27 electric buses, 8 diesel coaches, and support of 4 electric motorcycle producers who have made over 3,000 units; supportive infrastructure such as 14 DC Fast Chargers and 149 battery swapping stations. In addition, the Banana Production Pilot Plant now processes 14 MT of matooke daily, producing 17 Tooke products. Further, progress

has been made in Vaccines, Diagnostics, and Therapeutics (VDTs) research including three human vaccines due for clinical trials, a clinical trials platform for natural therapeutics, commercialization of molecular and rapid diagnostic tests, and commercialization of the COVIDEX medicine.

223. **There have been efforts to produce a highly-skilled, diverse, and globally competitive workforce for the STI, however, these are inadequate and their retention in the country is a challenge.** Engineering development centres have been established in Rwebitete and Namanve, aimed at rapidly building the country's engineering capacity. In terms of specialized training, various specialists have been trained in fields such as industrial development (700), E-bus operations (215), bus manufacturing (56) and food processing (415). In addition, under the aerospace program, 25 engineers have been trained in China and 21 specialists in aerospace at Kyutech-3 in Japan. However, there is shortage of high-level R&D personnel and the ratio of STEM to Humanities graduate has stagnated at 2:5. There is also a significant mismatch between the skills developed at formal institutions and the needs of the STI sector. Further, the pass rate of science subjects at O-level is less than 50%, leading to low enrolment in related disciplines at higher levels.

224. **Efforts to enhance the STI ecosystem are ongoing, however, it is incomplete, scattered and disjointed.** The national STI ecosystem has been defined and the key actors identified. The e-mobility ecosystem has been mobilized with 80 value chain actors in six clusters. In addition, eleven strategic partnerships for technology development and eight think tanks have been established. Further, the National Research and Innovation Programme (NRIP) has supported 55 projects, while the Presidential Scientific Initiative on Epidemics (PRESIDE) has funded 45 projects. However, the level of appreciation among actors in the ecosystem actors is low, coordination between academia, industry, and Government is inadequate, and networking & collaboration is insufficient. Furthermore, weak management and enforcement of Intellectual Property Rights (IPR) has constrained technology transfer, development, commercialization, and access to external markets. Investors in STI are deterred by perceived risks and uncertain returns associated with innovative products, making it difficult for innovation driven enterprises to access necessary capital. Relatedly, the high cost of research, development, and commercialization poses significant barriers.

225. **Strides have been made in enhancing human resource capacity to advance the country's innovation agenda and bolster technology development, but challenges exist.** Key institutions, such as Makerere University, MUBs and the Uganda Industrial Research Institute (UIRI), alongside various technology hubs, have played crucial roles in training professionals in vital areas such as innovation management, research and development (R&D), and technology transfer. However, despite these advancements, there are still considerable gaps in the availability of highly skilled professionals essential for fostering and scaling innovation across critical sectors. The most pressing shortages are found in high-tech fields like artificial

intelligence (AI), biotechnology, robotics, nanotechnology, and advanced manufacturing. These skills are crucial for developing and applying new technologies, especially in sectors with high growth potential, such as agriculture, energy, and manufacturing. Furthermore, there is an urgent need for specialists in Big Data Analysts, intellectual property (IP) management, technology commercialization, and product development to ensure that innovations transition efficiently from research to market, enabling Uganda to leverage its burgeoning innovation pipeline. In the digital technology sector, the demand for software developers, systems engineers, data scientists, and cybersecurity experts is acute. These professionals are instrumental in driving digital innovation, constructing secure infrastructures, and facilitating the implementation of technology solutions across various sectors. Additionally, the need for R&D specialists in critical areas like renewable energy, agritech, and industrial development is growing, as these fields are essential for enhancing productivity and ensuring sustainable growth. Conversely, there is an oversupply of general technical personnel in lower-level ICT roles, such as IT support technicians and computer operators. While these positions are important for routine operations, this oversupply highlights a misalignment between the workforce and the specialized demands of Uganda's rapidly evolving innovation landscape. Addressing these human resource gaps is vital for accelerating Uganda's transition to a knowledge-based economy, fostering a vibrant ecosystem where technology and innovation can drive sustainable economic growth and enhance global competitiveness. For details, refer to the annex on programme human resource requirements.

226. **There are efforts to strengthen the policy, legal and regulatory framework for STI, however, there are still gaps.** The Copyright and Neighbouring Rights Act Cap.222, the Trademarks Act Cap.225, the Industrial Property Act Cap.224 and the National Science, Technology, and Innovation Policy (2009) have provided a framework for development of the STI ecosystem. However, the STI policy is outdated, not addressing the new and emerging issues in the sector. In addition, challenges persist in enforcement of the policy and awareness of the Intellectual Property Rights (IPRs). Furthermore, the governing laws for Uganda National Council for Science and Technology (UNCST) and Uganda Industrial Research Institute (UIRI) need to be re-aligned to the new policy framework for STI in the nation.

227. **To increase the commercialization of STI products and services, this programme focuses on:** developing requisite STI infrastructure; increasing the stock of specialized STI human capital; developing the STI ecosystem; and strengthening the regulatory environment

9.3 Programme objectives

228. The objectives of this Programme are to:

i) Develop an STI ecosystem for technology development, transfer, industrialization, and commercialization;

ii) Increase the requisite STI Infrastructure;
iii) Increase the stock of specialized STI human capital; and
iv) Strengthen the policy, legal, institutional, and coordination framework facilitative of the STI idea-to-market journey.

9.4 Programme Results

229. The Programme thus aims to achieve the following key results by the end of FY2029/30:

i) Increased investment by the Government and private sector in technology development, transfer, industrialization, and commercialization to at least USD 500 million annually;
ii) 50 Ugandan Innovation Driven Enterprises (IDEs) created, with at least 10 having a presence on the export market;
iii) Increased contribution of STI to GDP to at least USD 10 billion; and
iv) Increased productive STI human capital to at least 500,000.

9.5 Interventions

230. To achieve the above results, the following interventions (Table 9.1) have been prioritized under this Programme.

Table 9.1: Interventions under the ITDT Programme and respective actors

Intervention	Actors
Objective 1: To increase the requisite STI Infrastructure	
1) Establish science and technology parks a. Biosciences Park in Nakasongola b. Automotive Industrial & Technology Park in Kayunga c. Regional Agro-Industrial Parks (East, North, West, West Nile, Central)	STI-OP, MWE, MEMD, MLG, MWT, MAAIF, MTIC, UIA, NDA, KMC, NITA-U, PIBID
2) Establish materials research facilities a. Forge and foundry facility b. Packaging facilities c. Pyro-technology facilities d. Semiconductor and microelectronics facility	STI-OP, MTIC, MEMD, MICT, NEMA, UNBS, NPA, UMA, NSTEI-SEP (EDIC), UIRI, UCC, Academia
3) Establish and provide STI specialized common user facilities	NSTEI-SEP (EDIC), UIRI, UNCST, STI-OP, MTAC, Academia
4) Expand the capacity of STI incubation	STI-OP, MLHUD, MoLG, MoFPED, MEMD, MTIC, MLSD, UIRI, UNCST, NSTEI-SEP (EDIC), Academia, Private Sector, Development Partners
5) Equip selected R&D institutions with specialized equipment	STI-OP, UNCST, NARO, UVRI, Academia, Private Sector

Intervention	Actors
6) Establish Mobility Infrastructure a. EV charging infrastructure b. E-Bus transit hubs c. Distribution centres	KMC, MTIC, MLG, MFPED, MoWT, MEMD, MOLG, STI-OP, UDB, KCCA, NPA, Private Sector, Development Partners
Objective 2: Increase the stock specialized STI human capital	
1) Accelerated conversion of Ugandan workforce through specialized industrial STI capacity development programs	UIRI, MoWT, EDIC, STI-OP, URSB, KMC, PIBID, EDIC, UNCST, Academia, Private Sector
2) Develop strategies for the attraction of skilled Ugandan experts and industrial scientists from the diaspora	STI-OP, MoFA, MoFPED, MoJCA, Parliament
3) Create professional fraternities for scientists to ensure quality, professionalism and accountability in execution of work	UNCST, MGLSD, MJCA, STI-OP,
4) Update the curriculum and support STI Industrial Human Capital Development	STI-OP, MoES, NCDC, Academia
Objective 3: Develop an STI ecosystem for technology development, transfer, industrialization, and commercialization	
1) Support Technology Development, Transfer, Industrialization and Commercialization in the prioritized Industrial Value Chains. a. Mobility industry b. Pathogen economy c. Industry 4.0+ d. Infrastructure innovations e. Aeronautics and space science f. Agro-value addition	UIRI, MoWT, MEMD, MFPED, MTIC, MICT&NG, MAAIF, UIA, EDIC, STI-OP, URSB, KMC, NPA, PIBID, UIRI, EDIC, UNCST, UCC, UCAA, NARO, Academia, Private Sector
2) Nurture STI in the young generation	STI-OP, MoES, MoLG, MGLSD, MTIC, URSB, Academia, Private Sector
3) Provide incubation services for STI enterprises	UIRI, MTIC, STI-OP, NSTEI (EDIC), PIBID, KMC, Academia, Private Sector
4) Establish STI collaboration platforms a. National STI Exhibitions b. Inter-sectoral collaboration program c. Operationalise STI Strategic Advisory Council & Think Tanks	STI-OP, MICT&NG, MoLG, Media, NITA-U
5) Strengthen STI information and knowledge management	UNCST, URSB, STI-OP, NPA
6) Enhance international cooperation for technology development and markets a. JVS, Partnership Agreements & Offtake Agreements b. Establish Technology Transfer System	STI-OP, MOFA, MoJCA, MEACA
7) Secure offtake for locally developed STI products	STI-OP, OPM, MoFPED, MJCA, OP, Parliament, LGs, Private Sector, PPDA, Development Partners, Ministry of Health
8) Strengthen the Intellectual Property (IP) value chain management	URSB, STI-OP, UNCST, Private Sector
9) Mobilise innovative financing for the idea-to-market journey	STI-OP, MoFPED, MTIC, UDB, UDC, URSB, UIA, Private Sector
Objective 4: Strengthen the policy, legal, institutional, and coordination framework facilitative of the STI idea-to-market journey	

Intervention	Actors
1) Develop and enforce policies, laws, and regulations that govern and facilitate the national STI system a. Update the National STI policy 2009, b. STI law and regulations c. Amend the Uganda Industrial Research Institute Act Cap. 209 (UIRI) and Uganda National Council for Science and Technology Act Cap. 211 (UNCST) d. Bio-safety and Bio-security Bill e. Indigenous knowledge, mobility, industry 4+, aeronautics and space science, pathogen economy f. National research framework and agenda	STI-OP, MoFPED, UDB, UIA, NPA, Private Sector, Development Partners
2) Develop and enforce standards and guidelines for prioritized industrial value chains	STI-OP, MoFPED, MWE, Parliament, Cabinet Secretariat, UDB, UIA, UMA, UNBS, Private Sector, Development Partners,
3) Strengthen the STI fund management system for enhanced transparency and accountability	STI-OP, MoFPED, OP, MoJCA, Cabinet Secretariat, NPA
4) Strengthen planning, supervision, monitoring, evaluation, coordination and human resource capacity of the ITDT Programme.	STI-OP, UNCST, UIRI, NSTEI (EID), MoFA, URSB, KMC, MoPS, UVRI, OPM, PIBID, NPA

Source: Programme Secretariat, 2024

9.6 Implementation Reforms

231. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years are:

i) Regulatory and Legal Reforms to strengthen intellectual property (IP) rights protection and reduce bureaucratic barriers and create a business-friendly environment are crucial;
ii) Regulatory and Legal Reforms that incentivize local manufacturing and innovation-driven enterprise development; and
iii) Ring-fencing funds to the STI interventions and activities to ensure that they are not affected by budget cuts. Most STI activities and cumulative and if started can be derailed by shorts, changes, or late release of funds.

9.7 Programme risk and mitigation

232. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) **Weak intellectual property (IP) rights can discourage innovators and investors from creating new technologies.** When businesses are unable to secure patents or safeguard their innovations, they may be hesitant to invest in science, technology, and innovation (STI) efforts. This risk is considered to have a medium impact and a high likelihood, resulting in a significant overall risk level. Planned interventions include IPR management training and awareness programs to address this issue;

ii) **Regulatory barriers, such as complicated or unclear regulations surrounding business research and technology, can impede innovation.** These hurdles might include excessive bureaucracy, unclear technology transfer laws, or complex startup licensing procedures. This risk is rated as having a medium impact and a high likelihood, creating a significant risk level. Mitigation efforts include actions to streamline the regulatory environment and create a supportive framework;

iii) **Limited access to global markets poses challenges for local innovations, as trade agreements, tariffs, and geopolitical barriers can prevent STI products from reaching international customers.** This reduces potential revenue and growth opportunities. The risk is medium to high in terms of impact and medium in likelihood, resulting in a significant risk level. Mitigation plans focus on forming global partnerships, building the capacity of local innovators, and enhancing infrastructure to make products globally competitive;

iv) **Dependence on imported technology hinders the growth of domestic STI capabilities.** Over-reliance on technology transfer from foreign partners can stifle local technological development and reduce the incentive to invest in indigenous innovation. This risk is rated as medium impact with high likelihood, giving it a significant overall risk level. Planned actions include raising a skilled workforce, supporting domestic technology development, and emphasizing reverse engineering to build domestic capabilities;

v) **A poor domestic investment culture or climate, particularly the lack of diverse funding mechanisms, limits the ability of innovators to scale new technologies.** This is compounded by the scarcity of venture capital and other funding options, especially compared to developed economies. The impact is medium to high, with a medium likelihood, leading to a significant risk level. Measures include lobbying the government for funding, attracting private and foreign investment, building innovation-driven enterprises (IDEs), and commercializing innovations for reinvestment;

vi) **Unreliable utility infrastructure, such as inconsistent electricity or limited access to high-speed internet, hampers research and innovation efforts.** This issue is particularly critical for research institutions and industries reliant on such utilities. The risk has a medium to high impact and a high likelihood, leading to a significant to critical risk level. Planned mitigation includes ensuring adequate utility services for industrial parks and STI facilities, along with backup solutions for power, water, and other essential utilities;

vii) **Redundant STI facilities may occur due to a lack of awareness or inadequate infrastructure that fails to meet the needs of innovators, scientists, and IDEs.** This risk is rated as medium impact with a medium likelihood, resulting in a manageable to significant risk level. Planned actions focus on increasing necessary STI infrastructure, aligning with priority industrial value chains, and creating common user facilities;

viii) **Low private sector participation in STI, particularly in terms of R&D investments, can slow down technological progress.** When innovation depends mainly on government support, the STI ecosystem becomes underdeveloped. This risk is considered to have medium impact and medium likelihood, creating a manageable to significant risk level. Mitigation efforts include promoting STI's potential for returns on investment and fostering ecosystem development to boost private sector participation in STI;

ix) **Brain drain, where talented individuals leave the country in search of better opportunities abroad, weakens the domestic STI sector.** The migration of skilled scientists, engineers, and innovators results in a loss of intellectual capital. This risk is rated as having a high impact and a medium to high likelihood, resulting in a significant to critical risk level. Mitigation actions focus on attracting and retaining specialized human resources while continuously training to fill existing skill gaps;

x) **Cultural and societal barriers, including societal attitudes that discourage innovation or risk-taking, can hinder STI development.** Cultural resistance to adopting new technologies or products made in Uganda also presents challenges. This risk has a medium impact and a medium likelihood, creating a manageable risk level. Planned interventions include awareness campaigns, promoting the global competitiveness of IDEs, and developing domestic markets to increase the uptake of locally made products;

xi) **Climate change and environmental risks can divert resources away from STI development or cause disruptions to infrastructure.** Natural disasters or environmental challenges can damage research facilities and tech industries. This risk is rated as low impact and low likelihood, leading to a manageable to concerning risk level. Planned actions include developing solutions such as e-mobility and climate technology to address these environmental challenges; and

xii) **Supply chain disruptions, caused by pandemics, natural disasters, foreign exchange fluctuations, or geopolitical tensions, can increase costs for innovators and reduce productivity.** This risk is rated as high impact and medium likelihood, leading to a significant to manageable risk level. Mitigation strategies include localizing supply chains and fostering partnerships within the STI ecosystem to improve efficiency and minimize disruptions.

CHAPTER 10: PRIVATE SECTOR DEVELOPMENT

10.1 Introduction

233. **The private sector contributes significantly to economic development.** It drives demand for goods and services which propels investments, domestic and external trade, job creation, and innovation. By investing in diverse sectors, private enterprises enhance productivity and competitiveness, leading to increased economic output and higher standards of living. They foster innovation by investing in research and development bringing in new technologies and solutions to the market. Additionally, the private sector contributes significantly to government revenues through taxes which can be re-invested in public services and infrastructure. By creating employment opportunities, the private sector increases household incomes thus stimulating consumer spending, savings, and investment further fueling economic development.

234. **The private sector is key for realizing the NDPIV aspirations by driving growth and creating jobs.** With access to affordable, reliable and long-term financing, the private sector will spur the necessary investment, technology and expertise for value addition in the key growth areas. As off-takers of agro produce, the private sector is crucial for optimizing the returns from wealth creation initiatives like PDM, EMYOOGA by providing market and integrating grassroot farmers into the value chains. The private sector facilitates technology exchange and innovation through supporting high tech startups and diffusion of ICTs in business processes. In addition, the private sector develops and facilitates uptake of innovative financial products and collaborates with the regulators to sustain financial stability. Through job creation and investment, the private sector significantly contributes to revenue generation. A private sector with a strong capacity to deliver on public investment is crucial for increasing the returns in the economy.

235. **This programme contributes to the realization of global, regional, and national development agenda**. The SDG 8 & 9 seek to promote inclusive and sustainable economic growth by supporting productive activities, decent job creation, entrepreneurship, creativity and innovation. In addition, it seeks to promote formalization and growth of MSMEs through access to financial services. The Africa Agenda 2063 (Aspiration 1) seeks to achieve a prosperous Africa based on inclusive growth and sustainable development through prudent policies that foster a competitive private sector led growth. The EAC Vision 2050 (Pillar 3) provides for improved intraregional and global trade enhancing trade in goods and other services within the EAC and with the rest of the world. The Uganda Vision 2040 directs investment towards strategic areas to stimulate the economy and facilitate private sector growth.

236. **Despite its contribution, Uganda's private sector faces several challenges ranging from:** low survival and transition of MSMEs; high cost of doing business; limited capacity to access

and sustain presence in key markets; a large informal sector; limited capacity of the private sector to maximize benefit from public investment opportunities; high domestic arrears owed to the private sector; limited uptake of STI; limited entrepreneurial skills and business knowledge; and weak organization & institutional capacity of the private sector.

237. **The goal of this programme is increased survival and transition of private enterprises**.

10.2 Situation Analysis

238. **Uganda's private sector is dominated by Micro, Small, and Medium Enterprises (MSMEs), however, these are struggling with transition to the next level.** These MSMEs collectively represent around 90% of the private sector, contribute over 80% of manufactured output, and approximately 75% of the gross domestic product (GDP). Moreover, they employ more than 2.5 million people, constituting 90% of total non-farm sector employment, and comprise approximately 1,100,000 enterprises, making them significant contributors to employment in the country. The majority of these enterprises are micro (93.5%), with a smaller proportion being small (4.1%) and medium-sized (2.4%). While the informal sector is predominantly composed of micro and small enterprises, the formal sector tends to have more small and medium-sized enterprises. However, these are struggling with survival and transition to the next level. The state of the private sector is underpinned by several factors as discussed below.

239. **Uganda is one of the most entrepreneurial country in the world, however, survival and transition of MSMEs to the next level is low.** Despite the efforts by many private individuals to setup businesses, many of these fail within their first year of operation. The survival rate of business enterprises is 4.8 years, with over 60% of enterprises not being able to survive beyond 5 years. Over 50% of Uganda's entrepreneurship is classified as 'necessity-driven' rather than 'opportunity-driven', meaning that many Ugandans start a business because they cannot find a suitable role in the world of work. This has serious implications for the nature of businesses and the level of firm survival. The lower level of firm survival and transition is attributed to: (i) the inability to manage growth; (ii) inadequate capital and access to finance; (iii) demand side constraints; (iv) financial indiscipline largely characterized by financial cashflow mismanagement leading to chronic cash shortages especially for micro and small enterprises; (v) absence of sound business plans to give direction to the business (vi) limited management skills; (vii) failure to prioritize sound corporate governance practices (viii) policy contradictions and unresponsive policy environment (ix) unsupportive standards enforcement regime; among others. Whereas attempts have been made to roll out the business development services targeting various entrepreneurial groups such as PDM SACCOs, EMYOOGA groups, MSMEs, there is a general lack of coordination by the service providers which leads to little impact in nurturing the entrepreneurs.

240. **The private sector is constrained by the high cost of doing business which affects its growth.** The high cost of doing businesses is attributed to high cost of finance, high cost and unreliable electricity, lack of cost-efficient transport infrastructure, inadequate logistical infrastructure, and high of cost of ICT services. There has been a reduction in the average lending rates to 18.6% in FY2022/23 from 20.3% in FY2017/18, however, this remains high relative to our regional counterparts (Kenya 15%, Tanzania 17%, and Rwanda 17%). This is largely due to the high operational costs that contribute 61% of the interest rate spreads; human capital costs; branch-related costs among others. Besides costs, MSMEs face significant bureaucratic hurdles in accessing credit including complex, stringent documentation requirements, and high collateral demands. In addition, there is underdevelopment of and underutilization of non-bank finance instruments such as insurance schemes, pension funds, equity finance, and venture capital in financing private investments.

241. **The private sector struggles to access affordable and reliable electricity, which is a key input for industrialization and value addition.** Government has made efforts to lower electricity rates in designated industrial parks; extra-large industrial users benefit from a subsidized rate of 5 cents per kWh; however medium-scale and small-scale commercial and industrial consumers still face much higher rates which are around 16-17 cents per kWh which is considerably high. In addition, the private sector is affected by frequent power outages, insufficient voltage for large consumers, and delays & high connection charges. This deters both domestic and foreign investment which undermines Uganda's attractiveness as an industrial hub.

242. **The high cost of the internet hinders digitalization of business transactions.** The cost of internet has reduced to USD 35 per Mbps per month in FY2023/24 from USD 70 in FY2017/18, however, this is still high thereby affecting uptake of digital technologies and services by MSMEs. Similarly, a lack of ICT relevant skills among many MSMEs hampers their ability to leverage ICT for efficiency and productivity gains. Additionally, the prevailing ICT fiscal regime is stifling private sector growth and technological advancement by burdening businesses with multiple levies, hindering their ability to innovate and offer affordable digital services to consumers. For instance, a 12% excise tax applies to both prepaid and post-paid airtime and value-added services, along with an 18% VAT on all ICT items. Additionally, a 10% withholding tax is imposed on commissions for airtime distribution and mobile money services. Moreover, ICT products face a 10% import charge while corporate tax is fixed at 30%; these collectively drive up costs from services to devices, hardware, and software and therefore the general cost of doing business.

243. **A poorly developed transport and logistics services sector curtails private sector growth.** The transport and logistics value chain consist of many activities including transport, storage, handling, sorting, packaging, loading, clearing and forwarding which are central in facilitating the movement of merchandise. Uganda’s transport and logistics sector are inefficient, costing

the country Shs. 3 trillion annually. At the firm level, transport and automobile expenses alone account for 17.4 % of the firms' costs. The transport and logistics sector are largely informal, the providers are small-scale, fragmented, unsophisticated and offer only one service. For instance, if an MSME has goods to transport, they must lease a container, a truck and different clearing agents at different points if the goods have to cross borders. This fragmentation of the sector leads to unwarranted costly expenses for the users (private sector) of the logistics services. Cost-efficient rail and water transport modes are underdeveloped, forcing business entities to rely on road transport. The road infrastructure, particularly in urban areas (GKMA) is highly congested leading to longer travel time.

244. **The Logistics Performance Index (LPI), a global performance measure of a country's logistics industry, ranked Uganda 58 out of 160 countries.** The index reflects perceptions of a country's logistics based on efficiency of customs clearance process, quality of trade- and transport-related infrastructure, ease of arranging competitively priced shipments, quality of logistics services, ability to track and trace consignments, and frequency with which shipments reach the consignee within the scheduled time. Among the key logistical indicators, Uganda's worst performance relates to poor transport infrastructure. Almost all firms (99 %) use road transport to deliver the imported goods from the border points to their establishments. Road transport from Mombasa to Kampala and other points in Uganda is considered inefficient in terms of costs of transport, safety and protection of the environment. In Uganda, road transport is plagued with bottlenecks and inefficiencies, including the poor state of roads, traffic congestion along the key transport corridors leading to the GKMA region and checkpoints which increase time and cost of logistics. In addition, there is a shortage of skilled manpower in various activities of the logistics supply chain. The biggest shortage was reported to be drivers of heavy goods vehicles, cold storage managers, heavy equipment operators, and warehouse managers. Besides, the level of informality in the operations of the logistics sector is also alarming which perpetrates inefficiencies.

245. **Limited private sector capacity to maximize benefits from public investment opportunities, worsened by government arrears to local suppliers.** Despite the high number of contracts awarded to local providers, these are generally of low value, with significant contracts often going to foreign companies due to the limited financial and product quality capacities of local firms. For instance, in FY 2022/23, the proportion of procurement value awarded to local contractors reduced to 48% from 61% in FY2021/22. Government has implemented several initiatives to bolster local firms' involvement in public investment programs, including a local content implementation strategy and the Buy Uganda Build Uganda (BUBU) policy, and support from the Uganda Investment Authority (UIA), such as funding and stimulus packages, aim to support local enterprises in competing domestically and internationally, however, these have not yielded the intended results within the sector. Delayed payments from government entities further strain local businesses, affecting their ability to reinvest and grow.

246. **Uganda has been unable to fully tap the external market opportunities that are available to it.** It exports low-value commodities, primarily unprocessed agricultural goods, that lack sophistication and are vulnerable to global price fluctuations, which make volumes and value highly volatile. The limited product range narrows Uganda's export profile, with the Middle East and Africa, particularly the EAC trade bloc, being the primary markets. These regions accounted for 70.3% (USD 9,201.08 million) of total exports between FY2020/21 and FY2022/23. This consistent concentration indicates that overall export growth has not been accompanied by a broadening of the export base. Similarly, Uganda's product standards and regulatory enforcement are weak, resulting in the prevalence of substandard products with issues related to traceability, safety, and health which results in rejections and limits penetration to new markets. The country struggles to meet international sanitary and phytosanitary standards, especially for animal and vegetable exports largely due to poor agronomic practices and poor harvest and post-harvest handling. Similarly, the high cost of certification for instance micro and small enterprises are charged Shs. 500,000 while medium and large enterprises are charged Shs. 1,000,000 per permit issued to a commodity or product and per brand. Poor packaging and blending further limit market access.

247. **The domestic market is characterized by a narrow and fragmented structure.** The domestic market has a growing population of 45.9 million, which offers a potential boost in domestic demand. However, this is limited due to demographic challenges, low purchasing power, and underutilized market opportunities. Uganda has a high age dependence ratio of 103.3, low household incomes (21.3% or about 8 million people below the poverty line), 39% engaged in a subsistence economy, and 84.9% in the informal sector. These conditions increase household vulnerability to economic shocks and create uncertainty in demand due to weak disposable incomes.

248. **Market fragmentation has undermined product distribution and competitiveness.** Inadequate market infrastructure, limited bulking and warehousing facilities, and information asymmetry remain a challenge. Similarly, there is unfair competition among traders from subsidized foreign products, counterfeit goods, and foreign traders with access to cheaper capital from their home countries which reduces the competitiveness of locally produced commodities. This is made worse by poor infrastructure such as feeder roads, railways, and ICT networks, especially in rural areas, which hampers the efficient distribution and availability of goods. This results in disruptions of domestic supply which limits the market's ability to meet potential demand. As a result of the low local production capacity, low-skilled labor, minimal value addition, and a negative perception of locally produced goods, the market relies heavily on imports, particularly intermediate inputs including machinery, petroleum, minerals, chemical products, and base metals, which account for 71.2% of the import bill, or USD 6,067 million. High import dependence places vulnerabilities in the balance of payments and currency stability.

249. **The large informal sector in Uganda negatively impacts the economy.** The informal economy in Uganda encompasses not only unregistered businesses but also informal activities within formally recognized entities. For instance, many professionals and employees engage in additional commercial activities, such as consultancies or operating commercial vehicles, which are not officially reported or taxed. This dual nature of informality within the formal sector contributes to the low productivity, survival, and growth of enterprises as well as limiting the effectiveness of government policy incentives. The informal sector employs 13.3 million people out of the 15.5 million working population, representing about 85% of total employment. This implies that a large number of the working population are susceptible to labour exploitation.

250. **Organizations that mobilize private sector players, including cooperatives, are essential to Uganda's economic growth but they face challenges in addressing sector challenges such as collective bargaining and market access.** These organizations face obstacles like complex regulations, policy instability, and ineffective leadership within cooperatives. Issues such as inadequate capitalization, insufficient member patronage, limited market access, and poor infrastructure also undermine their effectiveness. Fragmentation among numerous small-scale entities further dilutes efforts and efficiency. To improve outcomes, strategies should include streamlining regulations, enhancing leadership and governance, increasing financial stability, improving market access, investing in infrastructure, combating fraud, educating members, and fostering collaboration among organizations.

251. **Uganda's business environment faces significant legal and regulatory challenges that hinder the full potential of the private sector.** Private sector organizations face several challenges, such as navigating a bureaucratic regulatory environment that hampers efficiency and deters investment and frequent policy changes that create uncertainty. Fraud, lack of transparency, and fragmented efforts among the private sector member organizations and associations further diminish their impact to mobilize and advocate for common interests. Specifically, cooperatives face additional hurdles such as poor corporate governance, inadequate capitalization, and limited member education, which undermine their competitiveness. In addition, weak market linkages and inadequate infrastructure for storage, handling, and processing add to these difficulties, restricting access to competitive markets and limits the growth cooperatives.

252. **The private sector remains the largest employer in the country, absorbing majority of labour market entrants but the persistent skills mismatches constraints its growth and expansion.** Many graduates enter the labor market lacking the essential skills required by employers, resulting in prolonged transition periods into productive employment and an inadequate supply of qualified professionals in critical fields. Despite these challenges, Uganda has made notable strides in enhancing its human resource capacity to foster entrepreneurship, innovation, and overall economic growth. Annually, Uganda's higher

education institutions produce a considerable number of graduates, significantly contributing to the labor market and the private sector's workforce needs. For instance, Makerere University graduates approximately 12,000 to 14,000 students each year, while other key institutions like Kyambogo University and Uganda Christian University collectively add another 11,000 to 13,000 graduates. However, disparities persist between the skills imparted by the education system and the actual needs of the private sector. Graduates often find themselves inadequately prepared for the realities of modern employment, particularly in areas such as project management, financial analysis, and digital marketing. This hampers the growth and competitiveness of private sector enterprises. Therefore, increased investment in technical and vocational education, along with more robust partnerships between education providers and the private sector, are crucial for addressing these human resource and skills gaps to promote sustainable private sector development in Uganda.

253. **To ensure a competitive private sector that drives inclusive growth and creates jobs, this programme focuses on:** reducing the cost of doing business; ensuring market access and competitiveness of goods and services; strengthening the capacity of local firms to tap into public investment opportunities; enhancing survival and growth of private enterprises; and strengthening the private sector organizational and institutional capacity.

10.3 Programme Objectives

254. The objectives of this Programme are to:

i) Sustainably lower the cost of financing;
ii) Increase market access, presence, and competitiveness of Ugandan goods and services;
iii) Support capacity development of private sector institutions and organizations; and
iv) Enhance institutional coordination for MDAs and other stakeholders under the private sector development program.

10.4 Programme Results

255. The desired high-level Programme results by FY2029/30 are:

i) Increase the average life of businesses from 6 years in 2017/18 to 10 years in FY2019/2030;
ii) Reduced average lending rates of:
    a) Commercial banks from 18.0% in FY2023/24 to 14.9%;
    b) Tier 4 financial institutions from 48% in FY2023/24 to 38%;
    c) Money lenders from 120% in FY2023/24 to 60%; and
    d) DFI lending rates from 12% in FY 2023/24 to 8% in FY 2029/30.
iii) Reduced informal sector from 54.8% in FY2023/24 to 41.5%;
iv) Increased value of exports from USD 7.9 billion in FY2023/24 to USD 10.3 billion; and

v) Increased proportion of public contracts and sub-contracts awarded to local firms, from 64% in FY2023/24 to 70% in FY2029/30.

10.5 Interventions

256. To achieve the above results, the following interventions (Table 10.1) have been prioritized under this Programme

Table 10.1: Interventions under this Programme and respective actors

Intervention	Actors
Objective 1: To sustainably lower the cost of financing	
1. Increase access and affordability of financial services a. Grow capital market assets by promoting initiatives that attract more issuers b. Strengthen regulatory frameworks that will enhance investor confidence and ensure fair market practices in capital markets c. License microinsurance players in the insurance industry d. Promote usage of the SIMPO system to facilitate prudent borrowing using movable property e. Increase access to efficient and convenient financial services by promoting shared digital infrastructure to improve interoperability and connectivity, increase competition, and reduce costs of financial services.	BOU, MoFPED, CMA, IRA, MSC, UIA, UMRA, URSB, UDB, UDC, Banks, FinTechs
2. Capitalize and strengthen UDB, UDC to provide low-interest loans 3. Capitalize public banks to provide low-interest loans and mobilize savings a. Capitalize Post Bank towards making it the biggest commercial bank; b. Capitalize Housing Finance Bank towards making it the biggest mortgage banks c. Capitalize Pride Microfinance towards making it the biggest microfinance taking bank d. Support the growth of the balance sheets of government financial institutions e. Develop start-up-friendly loan products with favourable terms f. Develop and increase the range of financial products and services for youth and women g. Channel Government business transactions through Post Bank Ltd (including transactions for schools, hospitals, PDM, GROW, EMYOOGA)	MOFPED, UDB, UDC, Post Bank, Pride Microfinance, and Housing Finance Bank, Government MDAs
4. Implement financial literacy programs a. Increase public awareness and understanding of capital markets, Insurance and other financial services by conducting financial literacy programs. b. Design and implement a retirement literacy strategy to increase public awareness on the importance of savings for retirement.	BOU, MoFPED, CMA, IRA, MSC, URBRA, ENT UG
5. Promote the integration of environmental, social, and governance (ESG) criteria in financial services a. Formulate, disseminate and adopt Comprehensive ESG Policies, Guidelines and Framework for capital markets and insurance investments b. Develop, roll out and implement green financing programs c. Develop frameworks that support incorporation of ESG criteria and standards in the financial sector	MOFPED, CMA, IRA.MSC, UMRA, MoFPED, Private Sector players

Intervention	Actors
6. Strengthen the financial inclusion pillar of PDM a. Annual capitalization of the Parish Revolving Fund b. Disbursement of funds to last mile beneficiaries c. Improving 'PDM' Information systems d. Roll out digital platforms to access PDM funds such as 'wendi'	MoFPED, MoICT, LGs
7. Promote use of security interest in movable assets in MSMEs a. Popularise usage of the SIMPO system to facilitate prudent borrowing using movable property in Uganda	URSB
8. Support the retirement scheme for non-salaried/micro-pension scheme to mobilize financing for private sector a. Develop an operational strategy for shared governance and administration ICT infrastructure for the informal sector Saving Scheme b. Develop a Technology driven informal sector Saving Scheme (Micro pension scheme)	URBRA
9. Implement strong consumer protection measures, including regulations, dispute resolution mechanisms, and awareness campaigns to ensure the fair and responsible provision of financial services	IRA, UMRA, MoFPED
10. Leverage the use of technology in delivering financial services a. Facilitative guidelines for a regulatory sandbox which will provide a testing environment for innovations b. Training and building capacity for Tier 4 institutions on the UMRA online licencing and regulatory reporting system c. Leverage technology platforms to promote participation of informal sector in retirement benefit schemes	UDC, IRA, UMRA, URBRA, CMA, Private sector players
11. Develop and implement, credit information systems and synchronize with other information management systems to facilitate responsible lending and borrowing, promoting financial stability a. Develop and roll out a Tier 4 credit information-sharing mechanism to minimize information asymmetry in lending. b. Integration of SIMPO with NIRA system, OBRS and IPAS	UMRA, URSB, MOFPED
Objective 2: To increase market access, presence, and competitiveness of Ugandan goods and services	
1. Establish modern packaging and branding industries and services to support marketing exports a. Promote registration of trademarks, copyrights, and industrial designs b. Operationalization of the institute of packaging partners of Uganda c. Identify, profile and target investors in the packaging industry	UIA, URSB, MTIC, UNBS, Private sector players
2. Promote certification for MSMEs for market access a. Establish of cottages and artisanal workspaces b. Support cottages and artisanal entrepreneurs to certify their products c. Accrediting private certifiers d. Operationalise and strengthen the Global Standards Barcoding System (GS 1 Uganda)	UIA, KCCA, MTIC, UNBS, ENT-UG, Private Sector players
3. Support the access and enforcement of standards to provide decentralized services to the private sector a. Improve certification, laboratory testing and equipment calibration and verification services to the private sector in all regions.	UNBS

Intervention	Actors
b. Increase laboratories under the UNBS inter-laboratory recognition scheme c. Develop, disseminate and popularize standards to the private sector d. Provide standards, conformity assessment and equipment calibration services	
4. Establish logistical centres and services such as storage and distribution to support value addition in key external markets a. Construction of integrated market workspaces and abattoirs b. Establish and operationalise of boarder export zones in Katuna, Lwakhakha, Busia and Elegu c. Provide equipment calibration and verification services to logistical centres to minimize losses.	MTIC, UIA, UNBS, LGs, KCCA, cities and Municipalities, Private sector players
5. Support the development of free zones and special economic zones. a. Completion of Civil Works at Entebbe International Airport Free Zone b. Develop Public SEZ/Free Zones with the required infrastructure c. Collaborate with EAC, COMESA, and AfCFTA countries to streamline the policy environment for Free Zones d. Undertake export-readiness Programs	MTIC
6. Implement trade facilitation strategies a. Establish the National Marketing Commodity platform b. Establish working relations (MoUs) with strategic trade and business development organizations in target markets (Export promotion agencies, Chambers of Commerce, Industry associations, etc.) c. Improve the country's brand/image in target export markets d. Build the capacity of investee companies to produce goods that meet foreign market standards e. Partner with other Government agencies to identify markets for UDC Investee Companies' produce in foreign markets	MEACA, MoFA, MTIC, UIA, MOFPED, MOGLSD, Private sector players
7. Undertake strategic investments to de-risk trade in volatile markets like South Sudan, DRC a. Establish Export Insurance Credit Guarantee Fund b. Create a database to key market intelligence information points in volatile markets c. Undertake continuous risk assessments in volatile markets in the EAC;	MEACA, MoFA, MTIC, MOFPED
8. Strengthen gender mainstreaming mechanisms in private sector enterprises to improve equality and equity in market access and competitiveness.	MoGLSD, Private Sector players
9. Leverage economic and commercial diplomacy to negotiate targeted markets for the country's exports a. Undertake Economic and Commercial Diplomacy activities involving promoting global awareness of Investment opportunities in Uganda b. Organise Private Sector Linkages between Ugandan private sector and their counterparts abroad c. Formalise business relationships with IBAs d. Organize trade missions to target markets to showcase Uganda's export potential and build relationships with key stakeholders. e. Develop a Diaspora Policy	MEACA, MoFA and Missions Abroad, UIA, and Private Sector Players

Intervention	Actors
10. Implement digitalisation strategies a. Implement an Integrated One Stop Centre EBiz Investment Management System and interface it with other GoU PFM Reforms ICT Systems e.g. Land Management System b. Automate URSB processes and integrate with Government systems c. Implement the Business Licencing Reform processes. d. Develop and implement an e-commerce Policy e. Develop & operationalize an e-commerce platform for local products	MOFPED, CMA, UMRA, URBRA, URSB, MTIC, UIA, IRA
11. Undertake investment promotion a. Investment Promotion Strategy developed and implemented b. Outward and Inward missions facilitated c. Undertake feasibility studies to inform NDP Private sector investments	UIA
12. Expand the sectors under the reservation schemes (action) a. Maintenance, registration of new providers and renewal of the existing ones	PPDA, ENT UG
13. Build and strengthen the capacity of local contractors and companies a. Review the policy & legal framework b. Develop and launch the national local content framework c. Develop the National Local content Strategy d. Develop and implement the BUBU Policy M&E System	PPDA, URSB, MoFPED, MTIC, UIA,
14. Eliminate anti-trade practices a. Enact and Implement Consumer Protection Law b. Develop and implement Trade Remedies Law	MTIC
15. Increase distribution of local products a. Review and Implement the BUBU Policy	MTIC
16. Undertake enforcement and compliance with local content policy in free zones and industrial parks a. Develop and disseminate the local content strategy for investment b. Train and sensitize Free Zones on Local Content	MTIC, UIA
17. Enhance utilization of local inputs in production in priority sectors a. Profile input sources and local producers b. Develop a comprehensive program to support linkages	MTIC
18. Increase local firms' access and usage of free zones and special economic zones. a. Identify, profile local suppliers of goods and services to Free Zones	MTIC
19. Provide decentralized government services to the private sector through the one-stop centre a. Acquire land, implement, retool, furnish, and operationalize Regional One-Stop Centres for Investment b. Develop and Implement the Client Charter Services of MDAs at Investment One-Stop-Centre c. Incorporate ESG framework in the One-Stop-Centres	URSB and UIA
Objective 3: Support capacity development of private sector institutions and organizations	
1. Roll out business development services (BDS) to support small and micro industrialists and business establishments. a. Implement and Operationalize the National BDS Framework b. Operationalise the BDS Centre of Excellence c. Support institutional Strengthening and capacity building of the Public & Private BDS Ecosystem	MSC, MTIC, ENT-UG, UIA, MOFPED, UIRI, UDB and private sector players

Intervention	Actors
2. Strengthen insolvency and corporate rescue frameworks a. Automating Insolvency procedures b. Create public awareness on insolvency services	URSB, MoFPED
3. Continuously assess the effectiveness of entrepreneurship development programs a. Track and study the jobs created in the economy annually b. Undertake strategic studies on private sector emerging issues c. Publish an Annual State of Entrepreneurship Report	MTIC, MEACA, NPA, MoFPED, ENT UG
4. Increased functionality of business associations a. Build the capacity of the Confederation to promote, protect, represent and develop the private sector b. Improve the functionality of the Chamber of Commerce c. Improving mechanisms for public and Private dialogue	MoTIC, UMA, USSIA, UNCCI, PSFU, KACITA, FSME and Private sector players
5. Foster partnerships between universities, research institutions, and private enterprises to encourage innovation	UIA, UIRI, ENT UG, MoFPED, MTIC
6. Establish and support start-up and business incubators and accelerators that provide entrepreneurs with resources, mentoring, and workspace	UIRI, UNCST, URSB,
7. Promote formalization and business registration a. Promote registration of businesses in Uganda b. Establish decentralized service centres to scale up registration services c. Setting up an Arts Trust Fund to support cultural and creative enterprises formalisation	URSB, MTIC, PSFU, MoGLSD,
8. Strengthen partnerships between local governments, MDAs (URA, URSB) and private sector to streamline formalization regimes a. Harmonise and integrate business registration systems at all levels of Government (Central and local Government).	MoLG, URSB, LGs
Objective 4: Strengthen Institutional Coordination for private sector development	
1. Improve, policy, legal, and institutional framework for private sector development b. Harmonize and integrate business registration systems at all levels of Government (Central and Local Government) 2. Improve administrative infrastructure 3. Strengthen planning, coordination, monitoring, and evaluation for improved service delivery	All PSD MDAs and Private sector players

Source: Programme secretariat, 2024

10.6 Implementation reforms

257. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years are:

i) Adopt the use of National IDs instead of Financial Cards for accessing financial services.

10.7 Programme risk and mitigation

258. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) **Unpredictable economic and political conditions such as disruption in domestic and global markets due to war could disrupt business operations and deter investment.** This instability may impact the stable and supportive business environment thus increasing the cost of doing business. As a mitigation measure, the government has adopted prudent fiscal and monetary policies to stabilize the economy and maintain inflation targets, alongside efforts to build foreign reserves to buffer the economy against shocks;

ii) **Global Market Volatility due to changes in global trade dynamics such as rising protectionism can impact efforts to boost exports and integrate MSMEs into global value chains.** To address this, the Government is working to diversify its export markets and strengthen trade relations through agreements such as the African Continental Free Trade Area (AfCFTA);

iii) **Inefficiency, bureaucracy, and corruption in Government may lead to delays and increased costs of doing business.** The mitigation measures include implementing reforms aimed at enhancing transparency and accountability. Initiatives include the introduction of e-government systems to streamline processes and reduce red tape, as well as the facilitation of anti-corruption agencies to monitor and address corrupt practices;

iv) **Poor and inadequate infrastructure in transportation, energy, and ICT due to slow implementation of Government infrastructure projects can limit businesses' ability to operate efficiently and access key markets.** To address the challenges posed by inadequate infrastructure, the government is prioritizing infrastructure development projects through increased public investment and strategic partnerships with private sector stakeholders. The Plan includes specific targets for infrastructure improvements, and efforts to expedite project implementation and ensure timely project execution through better project management practices, planning, and funding mechanisms;

v) **A persistently large informal sector may undermine efforts to plan and provide services to SMEs as well as expand the tax base.** To reduce the informal sector, the Government is working on policies aimed at formalizing informal businesses. This includes simplifying registration processes and providing incentives for informal businesses to transition to the formal economy. Additionally, outreach programs are being developed to educate informal sector operators on the processes and benefits of formalization;

vi) **The accumulation of arrears by the government poses a significant risk to private sector development by tying up essential operational capital.** Delayed payments can create liquidity constraints for businesses, limiting their ability to invest. The government is enhancing public financial management and implementing a public debt management framework that includes strategies to eliminate domestic arrears. Additionally, the Government developed a strategy to clear and prevent domestic arrears in 2021 that includes strategies to ensure a phased clearance of the existing stock of arrears in the medium term as well as management control measures to stop the accumulation of new arrears; and

vii) **Crowding out of private sector investment due to increased domestic borrowing by the government is a key risk to private sector development as it drives up interest rates and makes loans less accessible for businesses.** To mitigate this risk, the Government is prioritizing fiscal discipline by reducing borrowing from the domestic market to less than 1% by the end of FY 2029/30. Additionally, the Government is exploring alternative financing options, such as public-private partnerships, climate finance, blended financing, and utilization of pension funds.

CHAPTER 11: MANUFACTURING

11.1 Introduction

259. **Manufacturing catalyzes industrialization through secondary and tertiary value addition, fostering innovation, and creating sustainable economic opportunities.** By transforming primary and semi-processed raw materials into higher level products, manufacturing improves competitiveness, diversifies the economy, enhancing self-sufficiency & economic resilience, enhances export revenues and job creation. Due to agglomeration, manufacturing potentially promotes clusters of businesses that benefit from shared resources, specialized labor markets, and efficient supply chains. It also creates backward and forward linkages with other sectors such as urbanization, infrastructure, social services in education and health, science and technology, among others. In addition, development of the manufacturing sub-sector has been proven to be the main contributor to structural transformation.

260. **This programme is vital for accelerating growth towards realization of the results of the Plan.** It enhances the industrial value chains by building on primary value addition in agriculture and minerals to develop secondary and tertiary industries. By leveraging science technology and innovation, manufacturing provides new industries and sources of growth**.** Development of manufacturing sector is vital for optimizing investment in other infrastructure like energy, railway, industrial parks, and ICT. In addition, manufacturers attract and offer social services such as education, health, urbanization, and commercial services.

261. **Manufacturing is essential in the pursuit of the aspiration of Agenda 2030, Africa Agenda 2063, EAC Vision 2050, and the Uganda Vision 2040.** SDG 9 emphasizes the need to promote inclusive and sustainable industrialization and to foster innovation. Aspiration 1 of the Africa Agenda 2063 aims to transform Africa's economies through beneficiation of natural resources, manufacturing, industrialization, and value addition. The EAC Vision 2050 advocates for leveraging industrialization for structural transformation and improved intra-regional and global trade. The Uganda Vision 2040 emphasizes the need to develop industries that utilize the local potential, establishing economic lifeline industries, and investing in strategic industries.

262. **The potential of manufacturing to catalyze industrialization is hindered by:** inadequate infrastructure for manufacturing; limited capacity to sustainably supply quality raw materials and intermediate inputs; limited adoption and integration of STI in manufacturing; high cost of manufacturing; low capacity utilization due to low export demand for manufactured products; inadequate skills; dumping & counterfeit products; anti-competitive practices; disconnect between industry, academia, and research institutions; low compliance with standards; and weak policy, legal & institutional framework.

263. **The goal of this programme is increased secondary and tertiary manufacturing.**

11.2 Situation analysis

264. **The manufacturing sub-sector is dominated by light and small-sized industries that are struggling to transition to medium and heavy industries.** The light and small sized industries account for over 80% of the total number of industries. Most of these industries are mainly engaged in primary processing such as food processing, textiles and garmeting, mineral processing, petrochemical, plastics and footwear. However, these industries are constrained by several factors which hinder their transition.

265. **There has been investment in the establishment of industrial parks and free zones, however, they still do not fully meet the approved guidelines for developing Uganda's industrial parks and free zones.** Of the planned 25 industrial parks countrywide, only 6 are operational and none fully meets the guidelines. However, the guidelines were developed after some of the existing parks were already in place. These have affected the competitiveness of the parks in attracting investors and the manufacturers themselves. Additionally, the functional free zone in Entebbe is currently undergoing completion with sites in Kaweweta and Arua identified for development but still lack detailed plans and land titles.

266. **Progress has been made in backward integration of some manufacturing chains; however, the local supply chain is underdeveloped, leading to overreliance on imported intermediate inputs.** By leveraging STI, some value chains such as iron and steel, phosphates & fertilizers, and sugar have made in-roads in development of intermediate inputs. The proportion of intermediate inputs in total imports has reduced to 52.6% in FY2021/22 from 57.4% in FY2019/20, however, this is still high. The reliance on imports of intermediate inputs is due to limited exploitation of the primary raw materials especially mineral ores like iron ore, copper, gold, carbonites, silica, phosphates, cobalt among others. Additionally, agro-processing in Uganda is hampered by inadequate quantities and inconsistent quality of locally sourced raw materials. This shortage impacts the production capabilities and limits the growth of these industries, further driving the need for imports. Import of intermediate inputs weakens the connection between manufacturers and local suppliers, limiting domestic economic benefits, stifling innovation and skill development, reducing job creation and preventing the full development of the local supply chain.

267. **There is some progress in adoption of STI in manufacturing, however, uptake and transfer are still low.** Industries such as steel, pharmaceuticals, sugar, dairy, cassava and automotive, have leveraged STI to diversify their product range and competitiveness. For instance, some of the leading fast-moving consumer goods (FMCG) manufacturers have streamlined their production processes, reduced downtime and improved product quality through automation of their production lines. Similarly, the steel industry has integrated cutting-edge machinery for steel rolling and fabrication which has increased their production

capacity and reduced waste. The beverage industry has also embraced modern technologies and automated packaging systems, which have boosted production efficiency and product consistency. However, the level of technology uptake and transfer is still low, hindering the production of medium and high-value manufactured products which has stagnated at 11% for the past 10 years. As a result, high-technology exports (% of manufactured exports) are low at 2.3%. The low adoption of STI is partly attributed to limited technology transfer support structures, limited absorptive capacities for knowledge and technology in firms and industries, and few technology and incubation centers. Further to this very limited research output is patented or commercialized and yet these can be game changers and further improve efficiencies, product diversification as well competitiveness.

268. **Imports are dominated by products in which there is either commercially viable raw materials, activity in primary manufacturing or several MSMEs operating in them.** With 60% of Uganda's enterprises being MSMEs and contributing to 80% of GDP, it is important that the anchor program industries are concentrated towards supporting them. The key import drivers for include; iron & steel products, copper & copper products, textile & garments, clinker &cement, starch & pharmaceutical products, and refined sugar & confectionery which industries already exist at different stages of development based on available raw materials and actors. The automotive industry and petrochemical industries show promise after heavy investment and interest by the state through Uganda National Oil Company and Kira Motors Corporation and a significant number of private sector actors. With 70% of the economy being agriculture-dependent coupled with low productivity from agriculture, the phosphate deposits in Sukulu would support consistent production of raw materials. With 60% of manufacturing being agro-based, there are insufficient quality packaging options available to allow longer shelf life and market branding requirements to meet sophisticated market requirements.

269. The low levels of electrification, increase in investment in electronics like motors, pumps, transformers, conductors would require investment in the copper value chain to provide inputs which are wholly imported despite presence of copper deposits in Kasese. 20% of pharmaceutical products are fully locally manufactured especially syrups. Some of the key ingredients are glucose, pharmaceutical starch and some active ingredients whose local production can be supported.

270. **Efforts have been made to reduce the cost of manufacturing; however, it remains below the targeted USD 5 cents.** Despite efforts to reduce manufacturing costs, electricity remains expensive, still above the targeted USD 5 cents per kWh. The Ministry of Energy and Mineral Development (MEMD) introduced a declining block tariff for large industrial consumers and a pilot special tariff for industrial parks, which showed promising results. However, industry consumption has not reached the necessary threshold to unlock the full benefit of lower tariffs. Currently, qualifying customers pay US cents 5.70/kWh during shoulder and off-peak periods (18 hours) and US cents 6.85/kWh during peak periods (6 hours), making electricity costs a

significant burden for manufacturers. While manufacturers who meet the consumption threshold can benefit, many still struggle with high costs. Additionally, although customs clearance times have improved significantly—from 18-21 days in 2014 to just 2-4 days in 2023, thanks to one-stop border points—transportation costs remain high due to underdeveloped rail and water transport systems. Access to long-term capital has improved through the Uganda Development Bank (UDB) giving interests at 12% and Uganda Development Corporation (UDC) acquiring equity in strategic industries, but high interest rates, averaging 17% in other commercial banks, continue to undermine competitiveness in the manufacturing sector.

271. **There has been investment in skills development, however, certified skills for manufacturing are inadequate.** Besides, Universities and Technical, Vocational Training (TVET) Institutions, there have been investment in other skills development initiatives such as the presidential skilling hubs to increase the stock of skills relevant for the industrial sector. However, the training programmes are not satisfactorily responding to the needs of manufacturing. Only 14% of the labor force in manufacturing has formal training in technical and vocational skills necessary for advanced manufacturing processes. This deficiency results in a limited pool of skilled workers capable of operating modern machinery and employing contemporary production techniques, leading to lower productivity and stifling innovation. This lack of expertise increases dependency on foreign professionals, raises production costs, and reduces competitiveness.

272. **There is a legal and institutional framework to support fair competition, however, dumping and counterfeit products persist, undermining competitiveness of the local manufacturers.** Despite the existence of The Competition Act Cap 66, their enforcement has been low. Consequently, local manufacturers continue to face competition from the low priced foreign dumped and counterfeit products especially in the textile and agricultural sectors.

273. **The low compliance with standards further undermines competitiveness in domestic and international markets.** Despite having standards, low compliance with standards in the manufacturing sub-sector presents a significant challenge stemming from weak enforcement mechanisms and systemic inefficiencies. There is an evident need to improve the capacity of both the regulators and the industrialists to increase the quality of Manufactured output.

274. **The disconnect between industry, academia, and research institutions impedes innovation and growth.** In the manufacturing sub-sector, a significant disconnect exists between industry, academia, and research, impeding innovation and growth. Industries often face challenges in accessing the latest research and technological advancements due to weak collaboration with academic institutions and research bodies. Over 500 research papers related to manufacturing are published annually by Ugandan universities but less than 20%

are utilized by industry. Over 70% of research and innovation outputs from universities and research institutions do not translate into commercial applications, as there are limited channels for effective knowledge transfer and commercialization. This gap hinders the development of homegrown solutions to local manufacturing challenges and slows down the adoption of cutting-edge technologies that could boost productivity and competitiveness in the sector.

275. **Low capacity utilization due to low export demand for manufactured products.** Despite Uganda's progress in increasing exports, the proportion of high value-added manufactured goods remains low. In 2023, Uganda's total exports reached approximately $6 billion, yet manufactured goods accounted for only about 20% of this total. High value-added products, which include items like processed foods, machinery, and electronics, made up an even smaller fraction, reflecting a reliance on primary commodities such as coffee, fish, and minerals, which together constituted around 70% of exports. This low proportion of high-value manufactured goods highlights the need for greater investment in industrialization and value addition to enhance Uganda's export competitiveness and drive sustainable economic growth.

276. **There exists a policy, legal, and regulatory environment coupled with a structured institutional framework to support manufacturing and trade, however, some gaps in implementation and enforcement exist.** The Industrial Licensing Act Cap.73, still needs to be amended, with proper licensing of industries affected; the Accreditation Services Act Cap.194, and the Competition Act Cap 66, were enacted to break technical barriers to trade and enhance market fairness but are yet to be suitably enforced, with development of their respective regulations still pending; Other sector-specific laws like the Sugar Act amendment bill, the Alcoholic Drinks Control Bill, Scrap metal Bill, Consumer protection Bill, Trade Remedies Bill, Local content Bill etc. have faced multiple revisions and still need to be pushed through. Furthermore, the institutional capacity of the Ministry of Trade, Industry and Cooperatives, Uganda National Bureau of Standards, Uganda Industrial Research Institute, and Management Training and Advisory Centre needs to be augmented for effective policy implementation and support to both new and already existing industrialists, while ensuring that support from Uganda Development Corporation, Uganda Development Bank and all other private banking institutions is readily accessed by manufacturers.

277. **There are notable strides in enhancing HR capacity to drive industrialization and economic growth notwithstanding considerable skills mismatches.** Specialized institutions such as the Makerere University, Uganda Industrial Research Institute (UIRI), National College of Industrial Training and various technical and vocational education and training (TVET) centers have produced more than 2,800 graduates in manufacturing-related fields in the past five years, including industrial engineers, production technicians, and quality control experts, contributing to the growing demand for qualified workers in the

manufacturing sector. However, the rapid growth of the manufacturing sector has led to acute and moderate shortages in several critical fields. The program anticipates that Uganda will need 700 industrial engineers, but only about 500 are currently available, leaving a shortfall of about 200. Acute shortages are also seen in specialized fields like mechatronics engineers, industrial designers, plant maintenance technicians, advanced manufacturing techniques, automation, and modern production processes. On the contrary, there is an oversupply of labor in lower-skilled roles such as machine operators and packaging workers. For details, refer to the annex on programme human resource requirements.

278. **To increase secondary and tertiary manufacturing, this programme focuses on:** strengthening capacity of industry to advance secondary and tertiary manufacturing; accelerate development and use of research innovations and adoption of appropriate technologies for secondary and tertiary value addition; strengthening collaboration between industry, academia, and research institutions; ensuring market access and competitiveness of Uganda's manufactured products; and strengthening the policy, legal & institutional framework for manufacturing.

11.3 Programme Objectives

279. The objectives of the manufacturing programme are to:

i) Develop the requisite infrastructure to support secondary and tertiary manufacturing;
ii) Enhance sustainable secondary and tertiary value addition in priority areas;
iii) Enhance the adoption of appropriate technologies for secondary and tertiary value addition;
iv) Support market access and development for manufactured products; and
v) Strengthen the policy, legal & institutional and coordination framework to support manufacturing.

11.4 Programme Results

280. The desired high-level programme results by FY2029/30 are:

i) Increased value of manufactured goods;
ii) Increased linkages among primary, secondary, and tertiary enterprises in priority areas;
iii) Increased value of manufactured exports; and
iv) Increased industry capacity utilization.

11.5 Interventions

281. To achieve the above results, the following interventions (Table 11.1) have been prioritized under this Programme

Table 11.1: Manufacturing programme interventions and respective actors

Intervention	Actors
Objective 1: Develop the requisite infrastructure to support secondary and tertiary manufacturing	
1. Develop and maintain infrastructure in free zones and industrial parks a. Reliable electricity towards implementation of the US$ 0.05 per unit kWh b. Transport infrastructure estimated at 120 km for the 4 serviced regional industrial parks and free zones c. Water for industrial production at a minimum of $500M^3$/day per production unit for 4 serviced regional industrial parks d. ICT coverage estimated at 120km for 4 serviced regional industrial parks and free zones e. Waste management infrastructure for 4 serviced regional industrial parks and free zones	UIA, MTIC, UNRA, MEMD, MoWT, NEMA, NITA-U, MWE, LGs
2. Promote private sector investment in development of manufacturing infrastructure through support towards infrastructure development in energy, ICT, water and roads, capacity building and marketing	UIA, MTIC, UNRA, MEMD, MoWT, MoLG, NEMA, NITA-U, MWE, UNBS, LGs, Private Sector
Objective 2: Enhance sustainable secondary and tertiary value addition in priority areas	
1. Strengthen backward and forward linkages for primary and semi-processed products through facilitating development of required standards for inputs in the required quantities and necessary storage infrastructure	UIA, MTIC, MEMD, MAAIF, UNBS, LGs, Private Sector
2. Support production efficiency and environmental sustainability of priority areas a. Promote resource efficient and cleaner production through modern systems and processes b. Support access to innovative green financing schemes	UIA, MTIC, MEMD, MAAIF, UNBS, LGs, MFPED, MWE Private Sector, CSOs, Development partners
Objective 3: Enhance the adoption of appropriate technologies for secondary and tertiary value addition.	
1. Promote acquisition and use of appropriate technology in collaboration with research institutions and academia	MTIC, UIA, MTAC, MEMD, MAAIF, Academia, UNBS, LGs, Private Sector, MTAC, NPA
2. Incentivize on-job training program for critical skills.	MTIC, MoFA, MoES, UMA, MTAC
3. Support a technology acquisition for manufacturing in strategic areas to enhance production efficiency and productivity.	UDB, MoFPED, MTIC, STI-OP, UIPE
4. Support linkages in the automobile and pharmaceutical anchor industries supporting auxiliary industries	STI-OP, MTIC, NPA, Academia, UMA, UPMA, UIPE
5. Support the operationalization of a productivity center for manufacturing	MTIC, MTAC, NPA, MoFA
Objective 4: Support market access and development for manufactured products	
1. Facilitate access of manufactured goods to regional and continental markets a. Expand the range of and enforce manufacturing standards, specifications, guidelines and codes of practice b. Support the national conformity assessment system to attain accreditation. c. Promote e-commerce to facilitate digital trade and cashless transactions d. Continuously engage and exploit available markets by implementing innovative penetration and maintenance of negotiated markets	MTIC, Private Sector, MoFA, UNBS, MoH, MoFA, MEMD, MAAIF, MEACA, UGANAS, NITA-U, Development partners

Intervention	Actors
2. Support the development and functionality of special economic zones for domestic, regional and global market access	MTIC, UNBS, MoFPED, MoLG, URA,
3. Promote consumption of locally produced goods and meet market preference	Private Sector, UNBS, MTIC, UGANAS, MoICT and National Guidance, MTIC
4. Support manufacturing for infrastructure development in the oil & gas industry by handholding manufacturers to meet the standards of materials and products needed in the industry a) Support the development of the petrochemical industrial park by implementing guidelines	MTIC, NPA, UMA, MEMD, PAU, UNOC, Academia, UNBS, UIA, MEMD
Objective 5: Strengthen the policy, legal & institutional and coordination framework to support manufacturing	
1. Review, develop and enforce policies and laws to support manufacturing	MTIC, MoJCA, OP, MoIA, MEACA, Private Sectors, CSOs
2. Strengthen planning, monitoring, coordination, and management of manufactured products	MTIC, UMA, NPA
3. Promote health, environment and social safeguards	MTIC, MoGLSD, Private sector
4. Strengthen the human and institutional capacity for manufacturing	MTAC, MTIC, Academia, STI-OP
5. Foster and leverage local, regional and international partnerships	MoFA, MEACA, Development partners

Source: Programme Sectretariat, 2024

11.6 Implementation Reforms

282. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years:

i) Prioritize and invest in the nine (9) areas of iron & steel, cement, phosphates, copper, packaging, pharmaceuticals, starch, sugar, and textiles; and
ii) Implement the productivity enhancement services through operationalizing the productivity center.

11.7 Programme risk and mitigation

283. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) **Political and Regulatory Risks.** The manufacturing program faces medium likelihood but high impact risks from policy and regulatory changes that could disrupt investments. These risks can be mitigated by engaging stakeholders, performing regular regulatory assessments, and maintaining dialogue with government agencies. Global trade dynamics could also affect exports and imports, and this risk can be managed by closely monitoring regional trade agreements like EAC, COMESA, and AfCFTA while engaging key trading partners to ensure market access;

ii) **Economic Risks.** Securing adequate financing poses a medium likelihood but high impact risk to project viability. Innovative financing solutions and utilizing institutions like UDB and UDC can be complemented by attracting green financing, venture capitalists, and private equity. Market volatility threatens profitability, but diversifying markets, investing in quality infrastructure, and promoting value-added products will build resilience against fluctuating conditions. The linking of industries to regional and global value chains will further augment volatile local and regional markets;

iii) **Human Capital Risks.** Shortages in skilled manpower present a medium likelihood, high impact risk to operational efficiency. This can be mitigated through staff development, competitive recruitment, and retention strategies. Further to the program-based approach collaboration with professional bodies and subject matter experts domiciled in different organizations and agencies will help galvanize the mitigation plan. Occupational Health and Safety (OHS) risks are also present but can be managed with proper training, adherence to international standards, and regular safety monitoring;

iv) **Environmental risks.** There is a medium likelihood of environmental pollution, which could harm sustainability and public health. Conducting Environmental Impact Assessments (EIAs), enforcing waste management strategies, and complying with regulations will help mitigate this risk;

v) **Technology Risks.** Cybersecurity risks could compromise data integrity and operational continuity, but implementing strong information systems and regular audits will reduce this risk. There is a high likelihood of product obsolescence due to changing consumer preferences, which can be countered by adopting new technologies forming strategic partnerships; and

vi) **Infrastructure Risks.** Energy shortages are a high-likelihood, high-impact risk that could severely disrupt operations. Investing in energy transmission and renewable energy is essential. Transportation disruptions pose a medium risk and can be mitigated by improving transport systems and implementing multi-modular transport plans and logistics. Water scarcity is a low-risk factor but should be managed with sustainable water practices and efficient resource use.

CHAPTER 12: NATURAL RESOURCES, ENVIRONMENT, CLIMATE CHANGE, LAND, AND WATER MANAGEMENT

12.1 Introduction

284. **Sustainable management and use of natural resources, land, water, & environment and effective response to climate change are essential for boosting productivity and value addition.** This ensures that resources such as land, water, forests, and wetlands are efficiently used, increasing their longevity and productivity. Environmental management and effective climate change response, preserve the natural ecosystems, biodiversity and reduces the adverse effects of climate change to ensure stable conditions to support sustainable production, productivity, and value addition. Effective response to climate change, management, and use of natural resources contribute to the achievement of a balanced resilient, and sustainable development trajectory.

285. **The quantity, quality, and productivity of natural resources, land, and water as well as effective environment management and response to climate change are central for realizing the results of this Plan.** Natural resources such as land and water are critical for ensuring a sustained supply of raw materials for value addition. Effective management and planned use of Uganda's diverse land resource, featuring fertile volcanic soils, wetlands, forests, and semi-arid regions supports a wide range of uses including agriculture, forestry, tourism, mining, access to the right of way for infrastructure development including industrial parks, transport, energy, and human settlement. The availability of adequate and reliable water for different uses including domestic, industrial, agriculture, energy, tourism, and extractives will drive inclusive socio-economic growth, employment, and wealth creation. Processing and transforming raw forest materials into higher-value products such as furniture, paper, and bioenergy, value addition to forest products creates new income streams, increases employment opportunities, and stimulates local economies. Effective management of wetlands, environment, and forests is crucial for creating green cities especially GKMA, with reduced pollution, improved livability, and attractive tourist destinations. Appropriate climate change response efforts can minimize operational disruptions and destruction of infrastructure due to extreme weather events, reducing development and maintenance costs. Climate change response offers an opportunity for revenue by tapping innovative climate finance options such as carbon credits.

286. **Sustainable management and use of natural resources, land, water & environment and effective response to climate change are essential for the attainment of global, regional, and national development aspirations.** Agenda 2030 (SDGs 6, 12, 13, 14, and 15) sets targets for combating the effects of climate change and sustainable management of water resources, land, terrestrial ecosystems, forests and the environment. Aspiration 1, Goal 7 of the Africa Agenda 2063 calls on member states to put in place measures to sustainably manage

the continent's rich biodiversity, forests, land and waters and using mainly adaptive measures to address climate change risks. The EAC Vision 2050, pillar 3.4 targets sustainable utilization of natural resources, environment management and conservation with enhanced value addition. This programme draws from the Uganda Vision 2040 that aspires to attain a green and clean environment with no water and air pollution while conserving flora and fauna and restoring and adding value to the ecosystem.

287. **The potential of land, natural resources, and the environment to drive growth is hindered by:** weak land administration and management; reduction in wetland & forest cover; vulnerability to climate change; high pollution levels; limited application of STI; limited value addition in forestry; limited capacity to tap climate finance; undervaluation of natural resources; and weak institutional coordination, enforcement, and implementation of policies & laws.

288. **The goal of this programme is sustainable management and utilization of land, environment & natural resources and effective response to climate change and other disasters.**

12.2 Situation Analysis

289. **Some progress has been made in land management and administration however, this is insufficient to support the country's development agenda.** The percentage of titled/registered land has increased to 30% in FY2023/24 from 21% in FY2017/18, however, this is still low. Unresolved land conflicts reduced to 41.9% in FY2022/23 from 45.8% in FY2021/22. There has been increased digitalization of land management with the establishment of an integrated data processing centre and online public portal for the Land Information System linked to the Judiciary, URA, and Building Review Board information systems However, the land sub-sector is still constrained by land ownership challenges due to land injustices that have created land conflicts & unlawful evictions and inadequate land use planning & weak enforcement of land use plans. In addition, the land market is highly speculative leading to mispricing. The Land Fund which was created to settle land matters is not only under-resourced but mismanaged. Complex land ownership structures where a significant portion of land is held under customary tenure make formal acquisition processes of land cumbersome and contentious resulting in delays in securing rights of way for infrastructure projects resulting in delays. These are compounded by inadequate land use planning, and weak enforcement of land use plans, leading to ineffective land use and acquisition of right of way for key public projects.

290. **Efforts have been made to declare the entire Country a planning area and the first National Physical Development Plan (NPDP) to provide the overall national development spatial framework has been developed**. However, the lower-level physical development plans that are meant to actualize the NPDP are largely lacking. At the regional

level, only 2 regional physical development plans i.e., Albertine Graben Physical Development Plan and Northern Uganda Economic Corridor Physical Development Plan have been developed. The regional physical development plans which align to the NPDP can only be actualized through the development and implementation of district, urban and local physical development plans. To the contrarily, only seven out of 135 districts, three out of 11 cities, 14 out of 31 municipalities, 45 out of 580 town councils and 23 out of 1,485 sub counties have physical development plans. Moreover, the jurisdictions with physical development plans have not been able to develop, implement and enforce the attendant detailed physical development plans and hence the observable disorderly land use development and encroachment on ecologically fragile ecosystems in both urban and rural areas limiting the natural resources potential and contributing to adverse climate change effects and associated environmental, social and economic losses.

291. **Uganda's wood industry has made significant strides in value addition; however, the majority of commercial forest resources are untapped**. Over the past decade, marked by a shift from exporting raw wood to producing higher-value products. Export revenues from wood products have grown substantially to USD 143.4 million in 2023 from USD 17 million in 2014. This is attributed to an increase in the production and export of value-added items such as plywood, blockboards, veneer, kiln-dried timber, and particleboards, among others. Veneer has emerged as the most exported value-added product, especially driven by demand from China. Despite this progress, the majority of Uganda's wood-processing industries remain underutilized, consuming only 42% of the current wood supply capacity. More than 75% of commercial forest resources are untapped due to: limited access to affordable and appropriate capital; policy & regulatory uncertainty; lack of a timber legality assessment and traceability system; prevalence of unscrupulous manufacturers; and shortage of skilled local workers.

292. **Efforts to recover forest and wetland cover are yielding positive results, however, the pace of recovery is less than desired.** The forest cover has gradually increased to 13.3% in FY 2021/22 from 10.7% in FY 2010/11, however, this is less than the historical level of 24% in 1990. Most of the loss in forest cover happened on private and communal land as well as central and local forest reserves, resulting in pressure on national parks and forest reserves. Despite efforts of the private sector in driving commercial forestry, the potential of forests as a source of income including timber harvesting, non-timber forest products, eco-tourism, and value addition has not been fully exploited. The slow pace of forest recovery will increase the deficit of wood products whose demand is projected to double in the next 20 years. The carbon capture and storage functions which are important for climate change regulation are threatened by the decline in forest cover. Forest management is constrained by deforestation and forest degradation driven by unsustainable agricultural practices, illegal logging, charcoal production, and weak enforcement of forestry regulations.

293. **Similarly, the pace of recovery of wetlands is slow.** Wetlands cover increased to 9.3% in FY2022/23 from 8.9% in FY2017/18, however, this is below the 1994 level of 15.6% of total land area. The wetland restoration and conservation efforts are constrained by weak enforcement of policies and laws, limited viable alternative livelihood options, and increased encroachment attributed to unplanned urban developments and unsustainable agricultural practices.

294. **Uganda is vulnerable to the effects of climate change, with a low ability to convert investments into adaptation actions**. The over-reliance on rainfed agriculture which is sensitive to changes in weather patterns puts Uganda at risk of food insecurity, loss of livelihood, and shortage of raw materials for value addition. The degradation of forests and wetlands has reduced natural resilience to climate change effects. There has been some progress in reducing climate vulnerability owing to an improvement in the accuracy of meteorological information to 77% in FY2022/23 from 60% in FY2017/18. However, the frequency and intensity of extreme events such as floods, droughts, and landslides have increased, which has disrupted the integrity and functionality of key ecosystems leading to loss of lives and biodiversity. Efforts to reduce vulnerability to climate change are constrained by inadequate technical capacity for climate change mainstreaming and a lack of climate-reliable data.

295. **There is some progress in terms of air and water quality however, the levels of pollution are high.** There has been improvement in compliance with drinking water quality standards for point water sources at 55% in FY2023/24 from 41% in FY2017/18, piped water at 71% in FY2023/24 from 60% in FY2017/18, and wastewater standards at 47% in FY2023/24 from 30% in FY2017/18. However, over 80% of urban water sources are contaminated, exacerbated by increasing discharges of untreated wastes and indiscriminate disposal of plastics, high levels of heavy metal detected in localized areas of Lake Victoria, and a proliferation of dangerous invasive water weeds such as Water Hyacinth and Kariba weed. Uganda's Air Quality Index (AQI) ranking has improved to 100 in FY2020/21 from 147 in FY2017/18, due to increased compliance to ESIA conditions which has doubled to 80% between FY2017/18 and FY2021/22. Nonetheless, air pollution levels in urban areas, particularly in the GKMA, with particulate matter (PM2.5) concentrations averaging about 40 µg/m3 per year which is five times higher than the safe levels of 10 µg/m3 recommended by the World Health Organization (WHO). These trends indicate a pressing need for comprehensive environmental policies and effective pollution control measures to safeguard public health and the environment especially as the country prepares to host the African Cup of Nations (AFCON).

296. **The availability of adequate and reliable water for different uses is derailed by the depletion and degradation of the available water resources.** Compliance with groundwater and surface water abstraction permit conditions increased to 78.7% and 78.6%, respectively by the end of FY2023/24 from 76% and 78% in FY2017/18. However, the total Renewable

Surface Water Resources (TRSWR) declined by 34% to 43.3 billion cubic meters in 2011 from 66.6 billion cubic meters in 1995. In addition, the available water resources per person per annum have reduced to about 1,000 cubic meters in 2011 from 2,400 cubic meters in 1995, indicating that the country is moving from a situation of water abundance to a situation of water scarcity. Water resources management efforts have been constrained by; the continued degradation of water catchments and the general environment; inadequate protection and maintenance of water bodies including river banks and lake shores; inadequate hydrological data to inform the needs for various uses; and inadequate human capacity to operate the network of water resources monitoring stations.

297. **Limited application of STI for sustainable management and use of land, natural resources, and the environment.** The government, along with academic institutions, and private sector partners is promoting the use of advanced technologies such as Geographic Information Systems (GIS) for land management, precision agriculture to optimize resource use, and renewable energy technologies to reduce environmental impact. With an additional 116 extra weather stations installed, the percentage of automation of the weather and climate network has improved to 62% in FY2022/23 from 30% in FY2017/18. However, the full potential of STI in achieving sustainable land, natural resources, and environmental management is hindered by inadequate infrastructure and skilled professionals among others**.**

298. **Limited utilization of the climate change financing windows.** Some efforts have been made to secure funds from the Green Climate Fund (GCF), the Global Environment Facility (GEF), and the Adaptation Fund for various projects such as sustainable land management, renewable energy, and climate-resilient agriculture. The government, in collaboration with various stakeholders, is enhancing institutional frameworks and building capacity to better access and utilize these funds. Despite these efforts, challenges remain, including capacity constraints, and the need for co-financing.

299. **There is persistent undervaluation of critical natural resources, particularly forests and wetlands.** The undervaluing of forests and wetlands stems from a focus on short-term economic gains at the expense of long-term sustainability such as carbon sequestration, water regulation, nature-based tourism, biomass energy supply, water catchment, and biodiversity conservation. The depletion of these resources has severe consequences, including soil erosion, reduced water quality, and loss of wildlife habitats, which in turn negatively impact agriculture, tourism, and local livelihoods. For instance, the undervaluation of forests, such as Mabira, Bugoma, and Budongo has led to their over-exploitation for timber, charcoal production, and agricultural expansion. The failure to adequately value these resources not only threatens environmental stability but also undermines the potential for sustainable economic growth, leaving future generations to bear the cost of today’s exploitation.

300. **The policy, legal, and regulatory framework for natural resources, climate change, land, water, and environmental management is adequate, however, enforcement is a challenge.** Several policies, laws, and regulations that support the efficient management of the environment, land, water resources, forests, wetlands, disaster preparedness & management, and response to climate change, have been developed. However, some gaps still exist. The revised National Environment Act Cap.181 is not yet fully operationalized. Revisions of the Water Act Cap.164 and the Wetland policy to address emerging issues are yet to be finalized. The Regulations for catchment-based water resources management, which will operationalize the provisions in the Water Policy, are yet to be formulated. The government has put in place an enabling institutional arrangement for the sustainable management of the environment, land, and natural resources, as well as climate change response. However, there still exists coordination gaps among implementing agencies, which undermines effective management of the environment, land, and natural resources. Furthermore, compliance with and enforcement of laws is low, evident from the continued issuance of illegal land titles in wetlands and forest reserves.

301. **Uganda has through this program made substantial progress in enhancing the HR capacity necessary for the sustainable management of the country's natural resources despite some challenges**. Institutions, such as Makerere University, the Uganda Management Institute (UMI), Mbarara University of Science and Technology (MUST), Nkumba University, Busitema University, and Uganda Martyrs University, have been instrumental in training professionals in fields like environmental science, water resource management, climate change adaptation, and land use planning. Over the past five years, Makerere University alone has graduated about 400 students annually in environmental science and management. However, the growing demand for skilled professionals in these sectors greatly outpaces supply. The program anticipates a demand of nearly 15,000 trained professionals by 2030, but currently, only about 3,500 are available, resulting in a shortfall of more than 11,000. Acute shortages are particularly evident in fields such as climate change specialists, environmental engineers, and land use planners. Conversely, there is an oversupply of labour in low-skilled roles, such as unskilled labourers in environmental conservation and forestry workers. Additionally, many graduates lack practical experience due to limited access to modern training facilities and real-world applications. These gaps present significant challenges to achieving Uganda's goals in sustainable resource management and environmental conservation. For details, refer to the annex on programme human resource requirements.

302. **To ensure sustainable management and use of natural resources, land, water, & environment and effective response to climate change to support the value addition & industrialization agenda and harness economic opportunities**, this programme focuses on: strengthening land administration and management; restoration of wetlands & forest cover; reducing the country's vulnerability to climate change; reduction of air and water pollution

levels; increasing research and application of STI; strengthening capacity to tap climate finance; value addition to forests & other natural resources; and strengthening institutional coordination, enforcement & implementation of policies & laws.

12.3 Programme Objectives

303. The objectives of this programme are to:

i) Ensure a clean, healthy, and productive environment;
ii) Protect, restore, and add value to forests and wetlands;
iii) Reduce vulnerability to the effects of climate change and natural disasters;
iv) Ensure the availability of adequate and reliable water for different uses;
v) Strengthen land use and management; and
vi) Strengthen policy, legal, regulatory, and coordination framework.

12.4 Programme Results

304. The desired high-level Programme results by FY2029/30 are:

i) Reduced annual average air pollution level in the GKMA from 40 µg/m3 in FY2023/24 to 25 µg/m3;
ii) Increased percentage of water bodies with ambient water quality from 78% in FY2023/24 to 85%;
iii) Increased number of green jobs from 210,000 in FY2023/24 to 650,000;
iv) Increased protected area coverage from 18% in FY2023/24 to 30%;
v) Increased percentage area of land covered by forests from 12% in FY2023/24 to 15.5%;
vi) Increased export value of wood products from USD 143.4million in FY2023/24 to USD 350 million;
vii) Increased percentage area of land covered by wetlands from 9.3% in FY2023/24 to 10.2%;
viii) Reduced climate change vulnerability index from 0.69 in FY2023/24 to 0.57;
ix) Increased accuracy of meteorological information from 77% in FY2022/23 to 85%;
x) Reduced annual percentage of the population exposed to disasters from 16.4% in FY2021/22 to 13.6%;
xi) Increased compliance to water abstraction permit conditions from 78.8% and 78.6% in FY2023/24 for ground and surface water to 82% and 84%, respectively;
xii) Increased compliance to wastewater discharge permit conditions from 66% in FY2023/24 to 70%;
xiii) Increased freshwater withdraws as a proportion of available water resources (Billion Cubic metres/year) from 1.5 in FY2023/24 to 7.5;
xiv) Improved land tenure security through;

a) Increased proportion of total adult population with secure tenure rights to land, with legally recognized documentation from 5.7% in FY2023/24 to 10%;
b) Increased percentage of land surveyed from 32% in FY2023/24 to 45%;
c) Reduced average turnaround time for land titling from 15 days in FY2023/24 to 7; and
d) Increased percentage of land registered from 30% in FY2023/24 to 33.

xv) Increased land productivity from xx in FY2023/24 to xx;
xvi) Efficient land use planning through;
xvii) Increased proportion of LGs with approved physical development plans from 4.2% in FY2023/24 to 10.3%;
xviii) Increased level of compliance to physical development plans from 15% in FY2023/24 to 50%;
xix) Increased level of compliance to land use regulatory framework from FY2023/24 in 58.5% to 75%;
xx) Improved programme performance from 55% in FY2023/24 to 70%; and
xxi) Improved programme budget compliance to the plans from 68.5% in FY2023/24 to 85%.

12.5 Interventions

305. To achieve the above results, the following interventions (Table 12.1) have been prioritized under this Programme:

Table 12.1: Interventions and actors under the natural resources, environment, climate change, land, and water management programme

Intervention	Actors
Objective 1: To ensure the availability of adequate and reliable water for different uses.	
1. Strengthen regulation and enforcement against water pollution and degradation through; a. Issue permits, monitor and enforce compliance with effluent water discharge standards. b. Finalize catchment-based water resources regulations c. Revision of the Water Act Cap. 164.	MWE, KCCA, CPC, NWSC, ATC, NEMA, MoES, CSOs, LGs
2. Strengthen sustainable water resources management through; a. Development and implementation of a blue economy master plan b. Construct and equip the National Water Quality Reference Laboratory and related facilities c. Construct wastewater treatment facilities and landing Jetty for water quality vessel d. Major Natural water bodies and Reservoirs maintained e. Early warning system and infrastructure for flood and drought management established f. Upgrade, maintain and operate hydrological information systems	MWE, MoFPED, GCF, WB, WRPR, NEMA, Academia, MoFPEC, MOH, DLGs, WQM, M&E, MEMD, UNRA, UNBS, IDI, ATC, MoES, UEGCL, MAAIF, EHD, MoFA, MEACA, OPM

g. Undertake Hydraulic surveys for river channel sections, hydrological analysis and modeling,	
3. Implement ecosystem and catchment management practices. a. Develop catchment management plans b. Implement catchment management plans that include restoration of the degraded catchments	MWE, DWRM, DEA, DLGs, CSOs, MAAIF, MoLHUD, MAAIF.
Objective 2: To reduce emissions and vulnerability to the effects of extreme weather events, climate change and disasters.	
1. Improve meteorological services and early warning signaling to mitigate risks through: a. Installation, replacement and repairing of weather stations across the country. b. Installation of synergy and meteorological data management systems. 2. Improvement in dissemination of early warning information.	MWE, UCAA, DLGS, OPM, MEDIA
3. Promote continuous mainstreaming of Climate Change and disaster risk screening in projects, programme investments, planning, implementation, management, and reporting through a. Assess Climate Change responsiveness in programmes for compliance. b. Operationalize the National Climate Change Information System. c. Establish Centers for climate change innovation 4. Finalize bilateral and multilateral agreements in Favor of Uganda's Interests.	MWE, MAAIF, MEMD, MoWT, OPM, MoGLSD, MoLHUD, NEMA, UWA, NPA
5. Strengthen implementation of legal and policy frameworks for climate change action through: a. Development of regulation, standards and guidelines for Climate Change Action. 6. Operationalization of the Climate Change coordination committees.	MWE, MoJCA, MAAIF, MEMD, MoWT, OPM, MoGLSD, MoLHUD, NEMA, UWA, LGs, MDAS, CSOs, NGOs, Private Sector
7. Strengthen Climate change adaptation, mitigation and carbon markets planning and implementation through: a. Develop the relevant policy, legal and institutional framework to tap into climate financing b. Development and updating of a functional Green House Gas (GHG) inventory and digital GHG registry. c. Develop, update and maintain the digital carbon register. 8. Develop and adaptation and mitigation studies and action plans	MWE, MAAIF, MEMD, MoWT, OPM, MoGLSD, MoLHUD, NEMA, DLGs, MDAs, NGOs, Private Sector.
9. Strengthen policy, legal and institutional coordination for effective disaster risk reduction through: a. Development of a Disaster Preparedness and Management law b. Development of an integrated disaster information management system c. Update of the Risk, Vulnerability and capacity profile of Government d. Amend the national policy for disaster preparedness and management.	OPM, MOJCA, OP, MWE, MAAIF, MEMD MOH, MLHUD, MOWT, MOES, Parliament, Academia, Media, UN Agencies and partners (CSOs, NGOs, INGOs, URCS), DLGs, Private Sector)
10. Strengthen institutional disaster preparedness capacity for effective response and recovery through; a. Establishment of a national disaster preparedness and response plan	OPM, UN Agencies and partners (CSOs, NGOs, INGOs, URCS)

b. Establishment of a well-functioning national storage and relief system. c. Provision of emergency relief to affected communities. d. Resettle disaster affected households	
Objective 3: Protect, restore and add value to forests and wetlands.	
1. Increased forest and wetland cover for socio-economic and ecological benefits a. Strengthen law enforcement surveillance and forest patrols b. Implement forest management plans, Enrichment planting in central forest reserves c. Development of urban forestry/Greening of cities and urban areas d. Establishment of agroforestry Systems	KCCA, MWE MLHUD, and other city authorities
2. Upscale commercial forestry, including bamboo, and fully exploit value chain opportunities to maximize economic benefits and enhance climate resilience. a. Establishment of commercial forests within Central Forest reserves and private land, Support tree nursery establishment. b. Support woodlot establishment on private land c. Establish tree growers' associations to facilitate market access and equipment affordability, d. Forestry based institutions equipped with modern wood processing tools and equipment to produce skilled graduates	MWE, CSOs, DLGS and private sector
3. Strengthen regulation and enforcement against environmental pollution and degradation. a. Thematic forestry guidelines and standards developed and implemented b. National Forestry and Tree Planting Act Cap. 160 amended, and regulations updated c. Review and implement the National Wetlands Policy d. Develop a wetlands specific law e. Develop and implement the Wetlands gazette implementation Strategy and guidelines	MWE, DLGS, CSOs, NEMA, MoJCA, Private Sector
4. Protect and increase the wetland cover. a. Wetland alternative livelihood options promoted and supported b. Wetland boundaries surveyed and demarcated c. Develop and implement grievance redress mechanisms d. Wetlands mapped across the country and the National wetland Inventory updated	MWE, MLHUD, CSO, LGs,
5. Undertake natural resource valuation and accounting to establish existing stocks, ecosystem values and future demands. a. Assess the carbon stock and greenhouse gases in peatlands and other wetlands b. Natural Capital Accounts (NCA) for wetlands developed c. Support research studies to strengthen value addition to wetland products	MFPED, UBOS, NPA, NEMA, MWE, Academia, MoJCA,
6. Promote biodiversity conservation. a. Designate and manage Ramsar sites and wetland reserves b. Undertake wetland biodiversity assessments c. Establish and manage wetland biodiversity resource centers d. Promote and support the establishment of wetland ecotourism	MWE, NEMA, MoJCA, DLGs, CSOs, MoFA, NGOs, MoTWA

Objective 4: To ensure a clean, healthy and productive environment.	
1. Promote circular economy. a. Facilliatae development and innovation technology b. Develop green certification standards and guidelines 2. Install solid waste sorting equipment in pilot areas	NEMA, MWE, KCCA, UCPC, UNCST, UBOS, DLGs, Private sector, CSOs, Media, Academia
3. Strengthen regulation and enforcement against environmental pollution and degradation. a. Update and review of the National Biodiversity Strategy and Action Plan II (NBSAP II) for Uganda. Review Environment assessment reports (ToRs, ESIAs and SEAs) b. Undertake Environment monitoring, compliance inspections and audits. c. Recruit and train Environment Protection Force (EPF) personnel. d. Develop EPF training curriculum 4. Review and update the national action plan for the sound management of chemicals and waste	MWE, NEMA, KCCA, LGs, MoJCA, MoFPED,
5. Promote sustainable biodiversity management within and outside protected areas. a. Coordinate stakeholders on biodiversity conservation and management b. Demarcate, restore and protect fragile ecosystems c. Implement economic instruments to support environment and natural resources d. Develop and promote programmes to manage and control invasive species 6. Gazette fragile ecosystems as special conservation areas	NEMA, MWE, KCCA, UCPC, UNCST, UBOS, DLGs, Private sector, CSOs, Media, Academia
Objective 5: Strengthen land use and management	
1. Undertake Land Tenure Security Enhancement Programs a. Densify the Uganda Geodetic Reference Framework (UGRF) and establish Continuously Operating Reference Stations (CORS) b. Establish the Land Information System (LIS) in Local Governments c. Roll out and implement the Land Valuation Management Information System (LaVMIS) to MZOs d. Survey and title Government Land e. Implement Systematic Land Adjudication and Certification f. Survey and affirm international and inter-district boarders.	MLHUD, ULC, MOLG, LGs
2. Develop lower-level PDPs to operationalise the National Physical Development Plan a. Develop and implement integrated regional physical development plans b. Develop and implement integrated district physical development plans c. Develop and implement integrated urban physical development plans d. Develop and integrated implement local (subcounty) physical development plans	NPA, MLHUD, MOLG, LGs
3. Promote land consolidation, titling and banking a. Undertake a comprehensive inventory of Government land. b. Acquire land for infrastructure/utility corridors	MLHUD, ULC, MOLG, LGs
Objective 6: To strengthen policy, legal, regulatory and coordination frameworks.	
1. Strengthen programme coordination and management for efficient service delivery through;	UBOS, MAAIF, MEMD, MoWT, OPM, MoGLSD, MoLHUD, MOH,

a. Undertaking programme performance reviews. b. Coordination of programme working group activities. c. Programme monitoring and Evaluation d. Development of resource mobilization initiatives. e. Review and update of sectoral policies and laws	MoES, NPA, NEMA, MoFPED, Academia, Private sector, CSOs, NPA, Private Sector.
2. Integrate crosscutting issues in the programme.	MWE, UBOS, MAAIF, MEMD, MoWT, OPM, MoGLSD, MoLHUD, MOH, MoES, NEMA, OP, NPA

Source: Programme Secretariat, 2024

12.6 Implementation reforms

306. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years are:

i) Establish environment courts within the judicial system. The backlog in courts derails judgements on environmental crimes which require swift conclusions to avert irreversible cumulative environment degradation effects that continue to occur in the face of slow court processes;

ii) Establish district focal points for Meteorology to enhance the dissemination of meteorological climate information in the local governments. Currently, this responsibility falls on the district natural resource and environmental officers who already have a wide range of tasks and this approach has proven ineffective over the years; and

iii) Revision of The National Water Policy of 1999 to include emerging issues that were not such as; to align with regional water management structures, facilitate implementation of regulations on water utilities, catchment-based water resources, accommodate multipurpose use of water, control of flooding, provide for the role of the water institute and facilitate shift of rural water supply from water points to large schemes. The National Forestry Policy of 2003, the National Policy for the Conservation and Management of Wetland Resources 1995 and the National Environment Management Policy,1994, to make provisions for emerging issues and challenges arising from oil and gas, climate change, peat, among others.

12.7 Programme risk and mitigation

307. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) Geo-political challenges for example, insecurity given the transboundary nature of natural resources. Conflicts may affect management of shared resources such as water, forests, wetlands and other ecosystems and other transboundary projects being implementation across borders. This can be mitigated by strengthening regional coordination and develop regional plans for shared ecosystems;

ii) Weak enforcement due to high levels of impunity undermines enforcement of laws, regulations and policies. This can be mitigated by implement and enforce environment penalties and strengthen institutional accountability of the resources under their control. Empower Civil Society and media to hold public officials accountable;
iii) Contradictory policies both within and across sectors, as well as across countries that share transboundary natural resources is a major risk. This constrains effective enforcement of policies, laws and regulations on natural resources. This can be mitigated through harmonization of policies and strengthening coordination among MDAs to align national policies with regional frameworks;
iv) Invasion of ecosystems by invasive and alien species reduces biodiversity and undermines efforts in environmental sustainability. This can be addressed by enforce bio-safety and bio-security regulations. Enforce strict quarantine on introduction of invasive species and policy control measures. Enhance monitoring, surveillance and early warning systems;
v) Refugee influx puts pressure on natural resources. The risk can be mitigated through strengthening partnerships with international organizations such as IOM, ensure funding and resettlement of refugees. Upscale restoration efforts in the refugee hosting districts;
vi) The adverse impacts of climate change including extreme weather events such as droughts and floods may result into loss of biodiversity, natural resources productivity and worsen environmental degradation. causing reducing volumes of ground water aquifers. Strengthen early warning systems and disaster preparedness;
vii) Procurement related risk may result into persistent delays in project execution, inefficiencies and cost overruns. Build capacity in procurement planning and contract management; and
viii) Land tenure systems may result into natural resource conflicts which may limit access and effective utilization and productivity of natural resources. Land tenure reforms to enforce the cancellation of titles in affected ecosystems. Strengthen conflict resolution mechanism in Natural resources.

CHAPTER 13: INTEGRATED TRANSPORT INFRASTRUCTURE AND SERVICES

13.1 Introduction

308. **Seamless intermodal transport infrastructure and services are essential for enhancing economic connectivity and efficiency.** It facilitates the efficient movement of goods and passengers between different modes of transport. This integration boosts both domestic and international trade by providing more reliable and faster routes. In addition, it supports regional integration and contributes to social inclusion by connecting remote and underserved areas with urban centers and economic hubs. Improved connectivity especially through railway and water transport is crucial for reducing the cost of doing business and enhancing competitiveness, attracting foreign and domestic investments.

309. **Efficient transport infrastructure and services are crucial for realizing the results of this Plan.** The infrastructure facilitates the movement of raw materials to production centers and finished goods to markets, supporting industrialization and value addition. Investment in safe and reliable railways and corresponding water infrastructure are crucial for reducing the cost of transportation which is a key factor in the cost of doing business. Increasing the stock and quality of GKMA transport infrastructure will enable the country to harness the opportunities presented by hosting the AFCON, raise urban productivity, and improve experiences and impressions of inbound tourists. Maintenance and rehabilitation of existing infrastructure including roads, railways, airports, and water transport facilities will extend their lifespan and enhance safety. Efficient transport management can also be an avenue for raising additional revenue through innovative infrastructure financing strategies.

310. **Transport infrastructure and services are essential in attainment of global, regional and national development aspirations.** The Agenda 2030 (SDG9), Africa Agenda 2063 (Goal 2.10), and the EAC Vision 2050 (infrastructure pillar) emphasize the need to develop modern, fast, and affordable infrastructure that is essential for economic development and well-being of the population. This programme draws from the Uganda Vision 2040 that aspires to have a highly interconnected transport network and services that optimizes the use of rail, road, water and air transport modes.

311. **The potential of transport infrastructure and services to drive growth is hindered by**: limited interoperability of the transport modes; a bias towards road transport; inadequate maintenance and rehabilitation of the existing transport infrastructure; lack of a mass public transport system especially in the GKMA; inadequate infrastructure systems and services to support AFCON; inadequate policy, legal, regulatory, institutional and financing framework for transport infrastructure and services; high cost of infrastructure development and maintenance.

312. **The goal of this programme is a seamless, safe, inclusive, and sustainable multi-modal transport system**.

13.2 Situation Analysis

313. **The transport infrastructure stock is biased towards roads, leading to a high cost of freight, increased depreciation of stock, increased travel time, and limited interoperability.** Over 95% of freight and passenger transport is by road. Progress has been made in building the stock of road networks. The stock of paved national roads increased to 6,199 km in 2023/24 from 3,264 km in 2010/11. This stock of national paved roads compares well with regional counterparts, apart from Kenya. The stock of urban paved roads has increased to 2,282 km (12%) in FY2023/24 from 1,230 km (6.2%) in FY2018/19. However, overreliance on the road network has led to accelerated deterioration, higher maintenance costs, and traffic congestion. Over 81% of the entire road network is currently in poor condition. Of these, 14% national roads, 43% KCCA roads, 74.2% secondary city roads, 85.7% district roads, 86.2% municipal roads; and 95.2% town council roads are in poor condition.

314. **Railway transport which is more efficient and cost effective in transportation of cargo is underdeveloped to reduce the burden on roads.** Uganda has a Meter Gauge Railway (MGR) network of 1,266 km of which, only 21.2% (270Km) is operational, that is, Malaba-Tororo-Kampala, Kampala-Port-Bell, and Mbale-Tororo routes. However, the operational sections are constrained by low handling capacity and low speed. The SGR which is expected to reduce transportation costs and lead time is non-existent.

315. **Further, the maritime transport infrastructure which should leverage Uganda's abundant water bodies to reduce the burden on the roads is underdeveloped.** Uganda has not leveraged the potential of Lake Victoria as a critical transportation hub to unlock the regional and international markets. Only two regional routes are operational on Lake Victoria; Port Bell-Mwanza and Port Bell-Kisumu which connect to the rail network, with two vessels, MV Kaawa and MV Pamba that are operational. The development of Bukasa port which is meant to handle international cargo from the ports of Kisumu and Mwanza is way behind schedule. However, there is progress as regards inland water transport with 13 ferries and 1 vessel that link national roads to strategic locations currently operational. Nonetheless, the inland water transport system is still constrained by the dominance of the informal sector characterized by small motorized and non-motorized boats.

316. **Air transport which is crucial for Uganda's trade and tourism needs strengthening.** Uganda's air transport sector has made notable strides, particularly with the ongoing expansion and rehabilitation of Entebbe International Airport (EIA), which has significantly increased commercial and domestic aircraft movements and boosted international passenger traffic. Additionally, the near completion (98%) of Kabalega International Airport in Hoima

is set to bolster the tourism, oil, and gas sectors. The national carrier currently has a fleet of 7 aircraft and offers 14 routes. However, Uganda Airlines has not optimized its operations due to lack of mid-range aircraft and cargo freighters to complement the existing fleet. Internal connectivity via air transport is still limited. Despite the existence of 13 publicly operated aerodromes, they are in dire condition.

317. **The cost of transport infrastructure development and maintenance is high.** The unit cost (per km) of upgrading roads to paved standards has increased to Shs. 3.7 billion in FY2023/24 from Shs. 3.1 billion in FY2017/18 and that of rehabilitation/reconstruction of paved roads has increased to Shs. 1.96 billion from Shs.1.8 billion over the same period. The average unit cost for construction of an unpaved/gravel road has doubled to Shs. 60 million from Shs.40 million over the same period. This high unit cost undermines the scale of infrastructure expansions and maintenance given the resource constraint. It is therefore imperative for Uganda to seek cost-effective construction methods to ensure that the necessary expansion and maintenance of its transport infrastructure can proceed without compromising national development goals.

318. **The high cost of infrastructure provision is partly explained by the high costs of acquiring project Right of Way.** Compensating Project Affected Persons (PAPs) is increasingly becoming more costly for the government. The situation is exacerbated by speculators who buy or develop properties along anticipated transport infrastructure routes, expecting substantial compensation payouts from the government. This has considerably driven up the costs of infrastructure projects and led to delays in their completion. The rising cost of fuel is bound to lead to further increases in the cost of infrastructure projects. It is therefore essential for the government to implement robust policy measures that regulate land acquisitions and manage compensation in a way that is both fair and economically sustainable. These measures will be crucial in controlling costs and ensuring the timely completion of infrastructure projects, even as external factors like increasing fuel prices continue to pose challenges.

319. **Uganda’s public transport system is generally weak, fragmented, and under-regulated.** The current public transport system in urban centers is dominated by low-capacity passenger service vehicles and boda-bodas operated by the private sector. The public transport system has not kept pace with the needs of public transportation in the country especially in the GKMA. This inefficient system has led to traffic congestion which imposes a considerable social and economic cost. For instance, it is estimated that the daily cost of congestion in GKMA is USD 1.5 million (approximately Shs. 5.6 billion), equivalent to 4.2% of GKMA's daily GDP. The public transport system is not accommodative of non-motorized transport which is the dominant mode of transport (48%) in GKMA. Addressing the inefficiencies in public transport especially in GKMA will be critical as Uganda prepares to host the AFCON.

320. **Uganda's transport industry faces several policy and regulatory gaps that hinder its effectiveness.** The Road Tolling Policy, 2017, and the Roads Act, Cap.346, cannot be fully operationalized without a comprehensive Roads Policy and accompanying regulations, leaving the Road Fund as a mere conduit for funds rather than a functional entity. The National Construction Industry Policy of 2010, aims to boost local content in public procurement, but existing guidelines limit the scope of work for local industries, hindering their capacity development. Additionally, the proposed Uganda Construction Industry Commission (UCICO) to regulate the construction sector was not established due to government rationalization policies, affecting the industry's growth. The Civil Aviation (Amendment) 2024 fails to separate regulatory and implementation roles within the Uganda Civil Aviation Authority (UCAA), leading to conflicts of interest. The transport industry is also constrained by weak enforcement of existing laws and regulations which has compromised safety.

321. **Progress has been made in building Uganda's human resource capacity in the design, construction, and maintenance of transport infrastructure, though gaps remain.** Institutions such as Makerere University, Kyambogo University, Uganda Technical Colleges (UTCs) and various technical and vocational education and training (TVET) centers have produced more than 3,500 graduates in related fields over the past five years, including civil engineers, logistics experts and infrastructure specialists. These graduates have contributed to various national infrastructure projects, including roads, railways, and airports, providing a growing pool of skilled professionals. However, Uganda's drive for transport infrastructure development and services has outpaced the current supply of skilled professionals. There are evident human resources shortage especially for specialized expertise in areas like urban transport planning, traffic engineering, and advanced railway technologies. This is further exacerbated by the limited availability of continuous professional development and practical training in modern infrastructure technologies. By 2029/30, the program expects to demand more 1,950 civil engineers and transport planners, but currently only about 1,190 are available. Acute shortages are also evident in fields such as road safety experts, railway engineers, and Hydroelectric Plant Engineers. Conversely, there is an oversupply of labor in areas such as general construction workers, Machinery Operators, Track Maintenance Technicians and Vehicle Painters. For details, refer to the annex on programme human resource requirements.

322. **To ensure an efficient multi-modal transport system necessary to support value addition and industrialization agenda and harness economic opportunities, this programme focuses on**: diversification of the transport infrastructure by fast-tracking railway and water transport investments; maintenance of existing transport infrastructure; investment in mass public transport especially in GKMA; cost-effective ways of infrastructure development and maintenance; diversification of financing and revenue generation for infrastructure development; and strengthen policy, legal and regulatory framework.

13.3 Programme Objectives

323. The objectives of this Programme are to:

i) Develop an inter-modal and seamless transport infrastructure and services;
ii) Strengthen transport asset management;
iii) Strengthen governance and management of integrated transport infrastructure and services; and
iv) Reduce the cost of transport infrastructure development and maintenance.

13.4 Programme Results

324. The desired high-level programme results by the year 2029/30 are:

i) Reduced average travel time within GKMA from 4.1 min/km in FY2023/24 to 3.5 min/km;
ii) Reduced average travel time on national roads from 3.75 min/km in FY2023/24 to 1.0 min/km;
iii) Reduced average travel time for inland water transport -Mwanza-Port Bell (in Hrs.) from 20 hours in FY2023/24 to 18 hours;
iv) Reduced average travel time for Passenger rail services (Min/Km) from 3.75 min/km in FY2023/24 to 3min/km;
v) Increased proportion of paved national road network to total national network from 29.5% of FY 2023/24 to 33%;
vi) Increased proportion of paved urban roads to total urban roads from 11% of FY 2023/24 to 16%;
vii) Increased proportion of the functional railway network from 21 in FY2023/24 to 51 by;
viii) Increased volume of international air passenger traffic from 1,932,094 passengers in FY2023/34 to 3,011,942;
ix) Increased volume of domestic passenger traffic from 23,019 passengers in FY2023/34 to 45,361 passengers;
x) Increased volume of international air cargo traffic (loaded) from 40,911 tons in FY2023/24 to 49,710 tons;
xi) Increased unloaded international air cargo traffic (unloaded) from 18,161 tons in FY2023/24 to 22,067 tons;
xii) Increased proportion of cargo transported by rail from 3 of FY2023/24 to 20;
xiii) Improved condition of the paved national road network from 95.7 in FY2023/24 to 98;
xiv) improved condition of the unpaved national road network in fair to good condition from 73 in FY2023/24 to 90;
xv) improved proportion of district road network in fair to good condition from 69 in FY2023/24 to 83;

xvi) reduced unit cost of upgrading roads to paved standard (Bn/Km) from the cost of 3.7 Bn/Km in FY 2023/24 to 3.1 Bn/Km;

xvii) Reduced unit cost of rehabilitation/ reconstruction of paved roads (Bn/Km) from 2.02 Bn/Km in FY2023/24 to 1.8Bn/Km;

xviii) Reduced average cost for construction of unpaved/ gravel road (in mn) from the cost of 60mn of FY 2023/24 to 40mn;

xix) Reduced unit cost of rehabilitation of Metre Gauge Railway (Bn/Km) from the cost of 5 Bn/Km in FY2023/24 to 2.7 Bn/Km;

xx) Reduced fatalities per 100,000 persons on Road transport from 9.1 in FY 2023/24 to 6.18; and

xxi) Reduced total number of fatalities on water transport from 243 in FY 2023/24 to 143.

13.5 Interventions

325. To achieve the above results, the following interventions (Table 13.1) have been prioritized under this Programme

Table 13.1: Interventions and respective actors under the ITIS programme

Intervention	Actors
Objective 1: To develop an inter-modal and seamless transport infrastructure and services	
1. Construct and upgrade strategic transport infrastructure; i. Construction of Kampala-Malaba Standard Gauge Railway (SGR); ii. Rehabilitation of Tororo- Gulu Railway, and Kampala-Malaba Meter Gauge Railway (MGR) sections iii. Completion of ongoing transport projects including; Bukasa Port, completion and operationalization of Kabalega International Airport, Upgrade of Entebbe International Airport, Construction and Upgrade of Several National Roads, among others. iv. Critical GKMA transport infrastructure will include; Kampala Flyover Construction and Road Upgrading Project Lot-2; Design and Build of the upgrading of Kira-Matugga road and improvement of 5 No. junctions (21km); Nakiwongo bridge; Kampala-Jinja Expressway; Busega - Mpigi Expressway; Kisubi-Nakawuka-Natete / Nakawuka-Kasanje-Mpigi/Nakawuka-Mawugulu-Nanziga-Maya/Kasanje- Buwaya; Design and Build of Upgrading of Najjanakumbi – Busabala Road (11km), Munyonyo Spur Interchange and Service Roads (17km); Kampala – Mukono; Zana-Kajansi-Bwebajja Government Campus; and Bwaise - Kawempe – Matugga. v. Rehabilitation and upgrade of Strategic infrastructure such as upgrade of regional aerodromes of Arua, Gulu, Pakuba, Kidepo Kisoro, and Kasese to support tourism, roads to areas with minerals, oil and gas, among others	URC, UCAA, SGR, MoWT, UNRA, MLHUD, MoJCA, Uganda Airlines, PPDA, MEMD, UEDCL, MICT, MWE, MoLG, MoTWA, LGs, MOFPED, DPs

Intervention	Actors
2. Increase capacity of existing transport infrastructure and services;	Uganda Airline Co. Ltd, EACAA, UNRA, URC, UCAA, Uganda Airlines, SGR, MoWT, MLHUD, MoJCA, PPDA, MEMD, MoLG, MoTWA, LGs, MOFPED, MICT, MWE, NITA-U, DPs
3. Construct and enhance passenger/logistics multimodal hubs and terminals; a. Implement an inclusive mass public transport system that may include BRT, LRT, Cable Cars, among others.	MoWT, UNRA, Uganda Airlines, URC, MTIC, SGR, UCAA, MoGLSD
4. Enhance transport safety; a. Conduct transport safety inspections; b. Train staff and stakeholders on transport safety; c. Develop search and rescue procedure manuals; d. Conduct sensitization compaigns;	MoWT, DPs, CSOs, UPF
5. To strengthen transport system resilience to climate change and natural disasters; and compliance to environmental and social safeguards.	URC, UCAA, Uganda Airlines, SGR, MoWT, UNRA
6. To develop and implement innovative infrastructure financing modalities	URF, KCCA, LGs, MoLG, URC, UCAA, SGR, MoWT, UNRA, MLHUD, PPDA
Objective 2: To strengthen transport asset management;	
7. Rehabilitate and maintain transport infrastructure; a. Maintenance of the GKMA, National and DUCAR Network b. Maintenance of the functional Metre Gauge Railway (sections) c. Design and implement climate resilient road infrastructure for the DUCAR roads	URF, KCCA, LGs, MoLG, URC, UCAA, Uganda Airlines, SGR, MoWT, UNRA, MLHUD, PPDA
8. Enforce loading limits	URC, UCAA, SGR, MoWT, UNRA, KCCA, LGs, MoLG, UPF
9. Develop and maintain transport infrastructure and services management information systems;	URC, UCAA, SGR, MoWT, UNRA
10. Develop and implement transport infrastructure drainage systems for all cities and urban authorities	MoWT, UNRA, KCCA, LGs, MoLG, etc.
11. Strengthen mechanical engineering services	MoWT
Objective 3: To reduce the cost of transport infrastructure development and maintenance.	
12. Adopt and implement cost-efficient technologies for provision of transport infrastructure and services; a. Use Cost-efficient technologies such as low-cost seals, probase, among others, for road construction and maintenance implemented; b. Cost-efficient technologies for bridge development; c. Establish Roads Cost Estimation and Monitoring System (CEMS) d. Develop and implement a cost estimation manual for various categories of road works	URF, KCCA, LGs, MoLG, URC, UCAA, SGR, MoWT, UNRA, MLHUD, PPDA

Intervention	Actors
13. Strengthen local construction capacity; a. Set up local raw material deposits; b. Construct and equip laboratories in every region; c. Implement the contractor preference scheme	MoWT, PPDA, MOFPED
14. Develop, review, and update design manuals, standards and specifications for innovations;	MoWT, UNRA, UCAA, URC, SGR
15. Strengthen partnerships for research, training, development, adoption, and popularization of innovative low-cost construction materials and technologies.	UPDF, academia, technical colleges and other relevant government institutions
Objective 4: To strengthen governance and management of the Programme	
16. Develop, review, update, and disseminate transport infrastructure and services policies, plans, regulations and standards, and laws; a. Develop a Transport Act b. Review the current CAA and URC Acts c. Develop and implement aviation master plan d. Develop and implement railway master plan e. Develop and implement water transport master plan f. Develop a national bridge construction master plan g. Establish a centralized mechanism for supervision of infrastructure works across Ministries and at Local Governments	MoWT, UNRA, Uganda Airlines, URC, UCAA, Parliament of Uganda
17. Enforce Programme policy, legal, regulatory, and institutional frameworks;	UPF, Parliament of Uganda, MoWT, URC, URA, UCAA
18. Decouple the Aviation Industry regulatory function from management and operations of airports. a. The Ministry in charge of transport and or UCAA should remain as a regulator for the Aviation industry and create independent management and operations of Airports in line with the best practice.	UCAA, MoWT
19. Strengthen and operationalize governance and coordination structures of the Programme;	OPM, MoWT, NPA, MOFPED
20. Strengthen the planning, supervision, monitoring, evaluation, coordination, and human resource capacity of the Programme	OPM, MoWT, NPA, MOFPED, Uganda Airlines, URC, UCAA
21. Integrate land use and transport planning	MoWT, Uganda Airlines, URC, UCAA, MoLHUD
22. Construct ITIS Programme supportive infrastructure	MoWT, NBRB, UEDCL, MEMD, MWE, NITA-U

Source: Programme Secretariat, 2024

13.6 Implementation reforms

326. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years:

i) Decouple the Aviation Industry regulatory function from management and operations of airports. In particular, the Ministry in charge of transport and or UCAA should remain as a regulator for the Aviation industry and create independent management and operations of Airports in line with the best practice.
ii) To reduce congestion and improve safety within Kampala City, the programme should cordon off commercial motorcycles *("bodabodas")* and tri-cycles from accessing the Central Business District (CBD); and
iii) The Ministry of Local Government, through implementation of the Parish Development Model, and cultural institutions, should sensitize, allocate and implement routine road maintenance works to every household within the village/parish as was formerly done under *"Bulungi Bwansi"*. Designate every Saturday for community service.

13.7 Programme risk and mitigation

327. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) **Low Implementation of NDPIV Planned Projects.** There is a high likelihood that few of the planned projects will be implemented and this will hinder the achievement of the anticipated results. Previous experience, for example from the certificate of compliance to the budget of FY 2023/24 report indicates that; a total of 48 National Road Projects were carried forward from NDPII to NDPIII as ongoing projects; out of which only 22 (46%) projects were completed by the time of the assessment, 14 projects (29.1%) were under implementation, while the remaining 12 projects (25%) had not yet commenced. Of the 86 NDPIII new proposed national road projects, only 6 projects (0.7%) had commenced implementation. To minimize this risk, only projects whose feasibility studies have been conducted should be included in NDPIV;
ii) **Insufficient Engineering Designs.** Major technical gaps in engineering designs cause a critical risk to project implementation since changes in design often result in exorbitant costs, more project duration, and scope. For instance, the Government is struggling to raise funding for the completion of the Busega-Mpigi Expressway and the rehabilitation of the Tororo-Gulu Meter Guage Railway where designs were altered in both cases. To mitigate this, the Ministry of Works and Transport through the Engineer in Chief should take on their mandate of approving engineering designs before implementation of commencement of projects;
iii) **Delays in land acquisition (right of way).** This is a major hindrance to the timely implementation of transport infrastructure projects. It results in high project costs and delayed completion of projects. This could be minimized through prior and joint acquisition of land for infrastructure construction (infrastructure corridors);
iv) **Delayed and inadequate funding for the project during implementation.** Whereas projects are scheduled based on the assumption that they will be implemented within

five years. The NDPII and NDPIII implementation certificate of compliance assessment experience has indicated that over 95% of the transport projects are usually behind schedule, one of the reasons being low funding releases. The mitigation for this would be to prioritize the implementation of a few critical projects;

v) **Adverse climatic changes such as prolonged seasons of heavy rainfall.** Adverse weather significantly affects transport infrastructure since it may lead to increased water levels, flooding of infrastructure sections, wash away of bridges. The result is high construction and maintenance. This should be mitigated by preparing and implementing climate-resilient transport infrastructure designs; and

vi) **Occurrence of disasters such as the COVID-19 pandemic of NDPIII.** Disasters such as COVID-19 affect project implementation time hence stalling completion. This can be mitigated by planning and facilitating the project to deliver it ahead of schedule so that interruptions may cause minimal impacts on the initial schedule.

CHAPTER 14: SUSTAINABLE ENERGY DEVELOPMENT

14.1 Introduction

328. **Affordable, reliable, clean, and modern energy services (sustainable energy) facilitate industrialization, value addition, competitiveness, and improved quality of life.** Access to affordable, reliable, and clean energy enhances commercial, industrial, and agricultural productivity, supports technological advancements, and stimulates economic growth by enabling efficient business operations. It facilitates educational, health, and quality water supply services, contributing to human capital development for socio-economic transformation. Energy infrastructure creates job opportunities and fosters investment thereby reducing poverty and promoting social and gender equity. Sustainable energy facilitates modern communication services, safety, and security, mitigates environmental impacts, and fosters resilience against climate change which is crucial for long-term socioeconomic stability.

329. **Affordable, reliable, clean and modern energy services is essential for the realization of the priorities of the Plan.** Access to sustainable energy plays a significant role in facilitating economic diversification, wealth creation, value addition and industrialization. Sustainable energy enhances agricultural productivity through mechanization, irrigation and minimizing post-harvest losses which are crucial for sustained supply of raw materials. Sustainable energy supports efficient extraction, beneficiation, and transportation of minerals, oil and gas. It enhances quality of service and experience at tourist destinations by powering amenities, thereby, improving tourists' experiences and boosting tourism. Particularly, hosting of events such as the AFCON requires substantial and reliable energy to power stadia and associated infrastructure ensuring seamless experience for fans. Investments in energy infrastructure and services are crucial for construction and efficient operation of the SGR. Urban areas require sufficient energy to support residential, commercial, and industrial activities. With effective application of demand side management interventions, STI and advanced energy solutions will be leveraged.

330. **The Programme seeks to increase access to and consumption of sustainable energy in line with Agenda 2030 (SDG 7), Africa Agenda 2063 (Aspiration 1), the EAC vision 2050 (Pillar 1) and the Vision 2040.** Agenda 2030 aims to ensure universal access to affordable, reliable, sustainable, and modern energy for all by leveraging abundant renewable energy sources. The Africa Agenda 2063 goals 6 and 7 emphasizes sustainable energy development for climate resilient economies and communities. This Programme also contributes to the realization of the Uganda Vision 2040 which aspires to develop and generate sustainable energy to drive industry and services sector. By promoting clean energy consumption, the Programme will contribute to poverty reduction, better health, education, gender equality, economic growth, and climate action.

331. **The potential of sustainable energy to spur economic growth and development is largely hindered by potentially inadequate energy generation and limited access, unreliability & costly power**. If the suppressed demand is addressed, the current generation capacity is inadequate. Unreliability is caused by limited investments, outdated technologies and aging electricity generation, transmission, and distribution infrastructure. This is further constrained by the high cost of electricity for industrialization, limited coverage by grid and off grid options, limited synergies among the stakeholders, low adoption of innovations, inadequate digital transformation of the electricity grid, limited access to modern energy supply services, and limited awareness and access to modern energy cooking systems.

332. **The goal of this programme is increased access to and consumption of reliable, affordable, clean, and modern energy services.**

14.2 Situation Analysis

333. **Electricity has a direct impact on poverty reduction, however, there is limited access to sustainable energy and its productive utilization.** Communities with access to electricity reduced their poverty rates by 10.2%. Access to electricity, as measured by the proportion of households connected to either grid or off-grid technology has increased to 58% in FY2023/24 from 24% in FY2017/18. This is mainly driven by the increased uptake of off-grid technologies (38%) such as mini-grids, stand-alone solar systems, and solar home kits. As such, electricity consumption per capita has increased to 218 kWh from 100 kWh in FY2017/18. However, this is below what is required to significantly reduce poverty. Even where electricity access has been provided, consumption has been low largely due to limited integration of productive use of energy, affordability, reliability, and coverage concerns.

334. **The inadequate distribution network has led to a high suppressed demand.** The reliability and quality of power supplied is poor in multiple areas due to aging and dilapidated distribution infrastructure, vandalism, inadequate technical network monitoring, and inadequate reinvestment in operations and maintenance among other operational challenges. Consequently, suppressed demand was estimated at about 2,420MW in 2022. To effectively address the suppressed demand, about 97,000km of low voltage, 60,000km of medium voltage and 8,000MVA in addition to investment in generation and transmission are required. In addition, the current grid availability at distribution is 75% with a loss of 18.7%.

335. **Transmission of power to key load centers and regional markets is constrained by the coverage, capacity, and non-optimization of the existing grid.** The transmission network coverage has increased to 4,518.7km in FY2023/24 from 2,354km in FY2017/18, however, several key load centers and markets remain unconnected. In addition, the coverage is dominated by the low capacity 132kV lines which is constraining evacuation of power to key load centers such as cities and some industrial parks, limiting exploitation of potential markets and resulting in higher transmission losses. Even in areas with higher capacity lines operations

is at a lower voltage due to constraints at substations. Additionally, the consumption at several industrial parks is way below the attendant substation capacities. The current transformative capacity of 6,605MVA is inadequate to support the Country's 10-fold growth strategy and evacuation of the planned nuclear power generation capacity. Expansion of the transmission network is also derailed by vandalism, protracted land acquisition processes and insufficient redundancy at major substations.

336. **The electricity generation capacity has improved however, it is inadequate if the suppressed demand already discussed is addressed**. Electricity generation installed capacity increased to 2005MW in FY2023/24 from 984MW in FY2017/18. This is a result of completion of the flagship 600MW Karuma HPP, the 183MW Isimba HPP, and several privately-owned power plants with an installed capacity of over 200MW. This is below the requirement for the industrialization and value addition agenda of the country including e-mobility, STI, and transportation.

337. **The country's electricity generation mix is skewed towards hydropower.** While the mix is diversified to include over 80MW from grid connected solar PV and over 100MW from co-generation, hydro contributes 85% despite an aging fleet of base plants. These plants are located along the Nile cascade which exposes them to climate change risks hence the need to diversify the source of base power.

338. **There have been efforts to diversify the generation mix with development of nuclear energy, however, this is yet to take off.** The development of the country's nuclear energy programme entered a critical development phase with the signing of six cooperative frameworks to support the development of the Center for Nuclear Science and Technology at Soroti University and the development of nuclear power plants. The site evaluation, environment and social impact assessment and the resettlement action plan and detailed designs for the proposed 8400 MW Buyende nuclear power plant have commenced. In addition, appraisal of the country's uranium prospects as a sustainable fueling mechanism of the nuclear power development programme have been undertaken. However, the appropriate legal framework and institutional capacity for nuclear development are inadequate.

339. **The country's electricity system has limited deployment of digital and novel innovations to optimize operation and maintenance**. In generation, excess generation often goes unutilized due to lack of demand and grid scale energy storage systems. Existing hydro and thermal power plants will also require hybridization with solar PV and gas to meet the greening aspirations of the Country. The transmission and distribution networks have insufficient smart grid technologies, automatic generation control, live line maintenance, remote transformer monitoring, data concentrator units, net metering and grid forming technologies among others. These technologies are not only critical in improving the quality of power supply but also reduction of losses.

340. **The use of traditional biomass for cooking has reduced, however, it remains the major source of cooking energy**. There has been a reduction in the use of traditional biomass for cooking to 75% in FY2022/23 from 85% in FY2017/18. However, the technologies used are rudimentary and highly inefficient mostly characterized by open fires and basic stoves. This has led to dire consequences for health, gender inequality, climate and environment. Unsustainable use of biomass resources continues to aggravate energy poverty, with households spending a significant portion of their resources (30-50% of discretionary income and more than five hours daily) on cooking and fuel collection. At the same time, access to clean cooking alternatives faces a number of barriers, such as: inadequate requisite infrastructure; relatively high upfront and going-fuel costs for consumers; limited availability and accessibility of technologies and fuels; entrenched cultural norms and preferences as cooking is deeply ingrained in culture; and inadequate awareness, public sensitization and adaptation programs.

341. **The country is highly dependent on fossil fuels for the transport sector and other industries**. In FY2022/23, approximately one billion liters of Premium Motor Spirit (PMS) and 900 million liters of Automotive Gas Oil (AGO) were imported. The comprehensive legal and regulatory framework for the production, storage, transportation of biofuels was developed, however; it has not been fully operationalized. In addition, plans to blend Bio-fuels are in advanced stages. This is in line with global trends towards clean energy, with the emergence of biofuels as a viable alternative to traditional fossil fuels.

342. **Inefficient use of energy costs the country significant energy and financial resources**. In FY2022/23, Total Primary Energy Supply, (24,159 TOE), 25.7% was wasted due to in appropriate user behavior, unregulated use of energy consuming technologies, poor workmanship, and low adoption of energy efficient systems. The insufficient access to sustainable energy for households, businesses and social institutions coupled with the inefficient utilization of energy not only prohibits energy demand growth but also increases the cost of doing business due to the high energy bills. Low public awareness and knowledge has also constrained the utilization of clean energy and efficient technologies across the country.

343. **There have been efforts to strengthen the policy, legal, institutional, and co-ordinational framework, however, gaps exist which hinder effective operation and regulation.** In addition to the infrastructure deficiencies, the energy industry's institutional framework is characterized by regulatory gaps, inadequate capacity within key agencies leading to slow implementation, oversight, investment, research, and innovation. Furthermore, weak coordination among the key actors including civil society and private sector impedes the effective operation of the industry. The absence of a joint partnerships' accountability framework among the development partners in the programme leads to duplication and financing of non-priority interventions.

344. **Progress has been made in building human resource capacity to harness Uganda's energy but significant gaps remain some in key areas.** Institutions like Makerere University, Kyambogo University, Uganda Petroleum Institute Kigumba (UPIK) and various technical and vocational education and training (TVET) centers have contributed significantly by producing graduates in electrical engineering, energy systems management, and petroleum studies. These institutions have over the past five years, collectively produced more than 2,500 in energy-related fields such as power generation, renewable energy, and oil and gas. These graduates have been instrumental in supporting large-scale energy projects such as the Karuma and Isimba hydropower dams, and Uganda's emerging oil and gas sector. However, the growing demand for skilled professionals in the energy sector outpaces the current supply. There is still a shortage of highly specialized professionals in areas like renewable energy technologies, advanced grid management, and energy efficiency systems. Additionally, while renewable energy is becoming a focus, there is still insufficient emphasis on training for solar, wind, and other emerging energy technologies. Acute shortages are also evident in specialized fields like power systems engineers, renewable energy specialists, and hydroelectric plant technicians. In contrast, there is an oversupply of labor in lower-skilled roles, such as electrical installation workers and power line maintenance workers. For details, refer to the annex on programme human resource requirements.

345. **To ensure sustainable clean energy supply to support value addition and industrialization agenda and harness economic opportunities, this programme will focus on**: diversification of the energy mix and expansion of the generation capacity; upgrading and expanding the transmission and distribution infrastructure; promoting research and innovation; strengthening governance and coordination of development actors.

14.3 Programme Objectives

346. The objectives of this Programme are to:

i) Accelerate the development and diversification of sustainable energy;
ii) Develop and modernize energy supply systems;
iii) Enhance productive use of energy; and
iv) Strengthen governance, coordination, and innovation for energy security and sustainable development.

14.4 Programme Results

347. The desired high-level Programme results by the year 2029/30 are:

i) Increased electricity generation capacity from 2,047 MW in FY2023/24 to 15,420 MW;
ii) Increased high voltage transformative capacity from 6,605MVA in FY2023/24 to 15,974MVA;

iii) Increased distribution network transformative capacity from 2,725.8 MVA in FY2023/24 to 4,066MVA;
iv) Increased electricity access from 58% in FY2023/24 to 70%;
v) Increased per capita electricity consumption from 218 kWh/a in FY2023/24 to 1,090 kWh/a;
vi) Reduced share of traditional biomass in the energy mix from 75% in FY2023/24 to 50%;
vii) Increased share of clean energy used for cooking from 25% in FY2023/24 to 50%;
viii) Reduced level of energy loss from 25.7% in FY2023/24 to 15%;
ix) Increased safe use of nuclear energy from 5% in FY2023/24 to 45%; and
x) Improved programme performance from X% in FY2023/24 to 80%.

14.5 Interventions

348. To achieve the above results, the following interventions (Table 14.1) have been prioritized under this Programme

Table 14.1: Sustainable energy development programme interventions and respective actors

Intervention	Actors
Objective 1: Accelerate the development and diversification of sustainable energy	
3. Rehabilitate energy generation infrastructure. a. Kiira-Nalubale hydropower plant b. Wind energy systems in Karamoja c. Bioenergy systems d. Solar PV mini grids energy systems	MEMD, UEGCL, NPA, Private Sector, Development partners, MoES, MOH.
4. Develop new utility-scale energy generation infrastructure. a. Buyende Nuclear Power Plant b. Kiba hydropower plant c. Solar power plants d. Undertake feasibility studies for Oriang and Ayago HPP	MEMD, UNNC, UNEC, UEGCL, UETCL, UEDCL, LGs, ERA, AEC, NPA, Private sector, MoFPED, MoLHUD, MoJCA, MoFA, Development Partners
5. Hybridize/convert fossil-based energy generation plants to use alternative fuels. a. Namanve thermal power plant b. Isimba hydro power plant	MEMD, NPA, UNEC, UEGCL, UETCL, UEDCL, ERA, Private sector, MoFPED, MoJCA, MoFA, Development Partners
6. Deploy smart power plant management and optimization technology.	MEMD, UEGCL, UETCL, UEDCL, ERA, Private sector, MoFPED, MoJCA, MoFA, NPA, Development Partners
7. De-risk and promote the development of renewable energy technologies a. Other large hydro projects (Oriang and Ayago) readiness activities b. De-risk the energy plants by undertaking feasibility studies and procurement of Engineering Procurement Construction firms. c. Wind power plants d. Waste to energy plants	MEMD, UIA, NPA, UEGCL, UETCL, LGs, ERA, Private sector, MoFPED, MoLHUD, MoJCA, MoFA, Development Partners
8. Promote community energy development a. Develop incentive schemes to support community adoption of clean energy technologies	MEMD, LGs, ERA, Private sector, MoFPED, MoGLSD, MoLHUD, MoJCA, MoFA, Development Partners, Cultural

Intervention	Actors
b. Support the establishment of community based clean energy demonstration projects e.g., faith based and traditional organisations.	Institutions, civil society, Academia
9. Develop energy generation plant fuel supply chains and mechanisms a. Nuclear fuels b. Biofuels	MEMD, UNNC, UEGCL, LGs, ERA, AEC, Private sector, MoFPED, MoLHUD, MoJCA, MoFA, Development Partners, MAAIF, MoTIC, PAU, UNOC, URA, MEACA
Objective 2: Develop and modernize energy supply systems	
1. Rehabilitate and refurbish the energy distribution and transmission infrastructure a. Upgrade and refurbish selected transmission line of 274km and distribution lines of 15,000km. b. Upgrade and refurbish 5 selected substations, 1 switching station, and distribution transformers. c. Install power quality correction equipment	MEMD, UETCL, UEDCL, ERA, Private Sector, Development Partners
2. Expand the energy transmission infrastructure. a. Construct 1,055.2km of high-voltage power lines and associated substations b. Construct regional interconnection electricity transmission lines of 688.5km to South Sudan, Kenya, DR Congo c. Deploy electricity transmission grid smart management technologies as guided by studies d. Promote energy storage systems as guided by studies being undertaken by ERA. e. Deploy smart grid forming technologies.	MEMD, UNNC, UETCL, ERA, AEC, Private sector, MoFPED, MoLHUD, MoJCA, MoFA, Development Partners, URA, MEACA
3. Expand the energy distribution infrastructure a. Construct electricity distribution lines and associated infrastructure in cities, urban, peri-urban, and rural areas. b. Implement last mile connections. c. Develop a central digital sizing, reporting and monitoring system for off-grid systems. d. Promote and develop mini grids. e. Promote decentralized energy systems f. Deploy distribution grid smart management technologies.	MEMD, UEDCL, ERA, Private sector, MoFPED, MoLHUD, MoJCA, MoFA, Development Partners
3. Promote modern energy cooking services and technologies a. Develop ethanol micro distilleries for cooking fuel production b. Support the development of pellet and briquette production facilities c. Promote electric cooking d. Promote alternative cooking fuels and technologies	MEMD, UDC, MoFPED, UECCC, MoTIC, MAAIF, MoFA, MoWE, UNBS, Development Partners, Private sector
Objective 3: Enhance productive use of energy	
6. Electrify industrial, commercial enterprises a. Industrial users in public and private industrial parks b. Agro-processors c. Mining sites d. Tourism sites e. Wealth creation initiatives such as PDM and Emyooga	MEMD, UETCL, UEDCL LGs, ERA, Private sector, MoFPED, MoLHUD, MoJCA, Development Partners, MAAIF, MoTWA, MoTIC, PAU, UNOC, URA, MEACA
7. Electrify social and public institutions a) Electrify the administrative units and trading centers b) Electrify health centers, cultural, religious areas, libraries and schools	MEMD, MoH, MoES, Religious and cultural institutions, UEDCL, LGs, ERA, Private sector, MoFPED, MoLHUD,

Intervention	Actors
	MoJCA, CSOs, Development Partners
8. Energize transport a) Support the development and operationalization of the SGR b) Support the development of favorable incentives to promote e-mobility	MEMD, MoWT, STI Secretariate, MoFPED, Private Sector, Development Partners
9. Create connections between people, green jobs and services a. Support PUE initiatives such as water pumping, irrigation, refrigeration, cooling, milling, drying, and others. b. Integrate surplus captive power from self-generating facilities c. Promote and invest in energy and demand stimulation schemes such as dedicated clean energy hubs d. Strengthen market access and supply chain for PUE Appliances and products	MEMD, UEDCL, ERA, MoFPED, MoLHUD, MoJCA, MoFA, MoTIC, Private sector, Development Partners, CSOs
Objective 4: Improve efficiency in energy generation, supply and utilization	
5. Develop and implement energy efficiency programmes across the energy value chain	MEMD, UEDCL, ERA, MoFPED, MoLHUD, MoJCA, MoFA, MoTIC, Private sector, Development Partners, CSOs
6. Decarbonize the transport and industry sectors	MEMD, MoWT, MoWE, MoTIC, STI Secretariate, MoFPED, Private Sector, Development Partners
Objective 5: Strengthen governance, coordination, and innovation for energy security and sustainable development	
6. Strengthen the energy policy and regulatory framework	MEMD, MoPS, OP, Parliament, AEC, MoJCA, MoFPED, UNBS
7. Strengthen the energy research and innovation ecosystem a. Construct and equip the Centre for Nuclear Science and Technology b. Strengthen renewable energy and modern energy services development and testing hubs c. Strengthen the Energy Industry Information and knowledge centers d. Strengthen and equip research and academic institutions to deliver relevant knowledge products for the energy industry	MEMD, MoES, MoTIC, UIA, UNNC, AEC, STI Secretariate, Academia, Private Sector, Development Partners
8. Enhance nuclear safety, security, and safeguards a. Construct and equip the national nuclear regulatory laboratories	MEMD, AEC, OP, Parliament, MoJCA, MoFPED, UNNC, NEMA
9. Strengthen energy planning, monitoring, coordination, and management a. Mainstream energy planning and management at Local government	MEMD, MoPS, MoICT, MoGLSD, OPM, OP, UBOS, UEGCL, UETCL, UEDCL, AEC, ERA, EDT, UECCC, Development Partners
10. Strengthen energy investment promotion, mobilization and coordination a) Capitalize the UEDCL to take over the responsibilities of Umeme Ltd	MEMD, MoFPED, MOFA, UIA, UECCC, ERA, Development Partners, Private Sector
11. Promote quality, health, safety, security, environment and social safeguards	MEMD, MoWE, NEMA, NoGLSD
12. Strengthen governance and accountability systems in the energy industry	MEMD, OP, MoJCA, MoFPED, OAG, ERA, Parliament
13. Strengthen the human and institutional capacity in the energy industry	MEMD, MoPS, MoES, Academia

Intervention	Actors
c. Establish the National Clean Energy Economy Workforce Training Program d. Operationalize National Energy Training Facility e. Operationalize the Uganda National Nuclear Company f. Support Financial Institutions and Energy Service Companies to scale renewable energy technology penetration.	
14. Foster and leverage local, regional, and international partnerships	MEMD, MoFA, MEACA, Development Partners, Private Sector, CSOs.
15. Acquire land for the energy infrastructure development projects 16. Monitor the implementation of the resettlement action plan	MEMD, MoGLSD, MoLHUD, LGs, UEGCL, UETCL, UEDCL, ERA, EDT, UECCC, Development Partners

Source: Programme secretariat, 2024

14.6 Implementation Reforms

349. The key implementation reforms required to fully implement this programme and realize expected goals in the next five years are:

i) Constitute a panel of experts of diverse experience. This panel will have competence in procurement, finance, engineering, project management, and risk to enhance oversight leading to the delivery of projects within time, cost, and quality expectations.

14.7 Programme risk and mitigation

350. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) **Inadequate resources for effective development and implementation of the risk management system.** This risk affects the overall success of the program by limiting resources needed for long-term goals. It is ranked as a high risk and could impact the strategic objectives of the energy program. Mitigation involves financing the development of risk management systems for all projects and within the program;
ii) **Negative Publicity.** As a high-ranking risk, negative publicity can affect the program’s reputation and stakeholder confidence, influencing strategic alignment and support. Mitigation involves the development and implementation of a comprehensive communication strategy to manage public perception;
iii) **Limited Implementation and Rollout.** This high-ranked risk, affects the strategic rollout of the program, potentially limiting the program's ability to achieve its broad goals. Mitigation includes developing business continuity plans for high-impact risks, periodic risk audits, and effective risk monitoring and reporting;
iv) **Litigation against the program actors.** Legal challenges present a high strategic risk that can impede the program through financial, operational, or reputational damage. Mitigation

includes sensitization programs to ensure legal compliance, protecting the program from lawsuits that could derail its long-term objectives;

v) **Security Threats.** Security concerns pose a high strategic risk, as threats to personnel or infrastructure can affect the long-term viability and continuity of the energy development program. Fast-tracking an integrated security system is proposed to mitigate this risk; and

vi) **Inadequate financing of the programme.** Considering the constrained fiscal space and delays in securing adequate financing, it becomes a high risk affecting the timely delivery of the objectives. The mitigation strategy involves the exploration of modern mechanisms by properly packaging the program to attract including green finance bonds, pension funds, private equity, and diaspora funds.

CHAPTER 15: DIGITAL TRANSFORMATION

15.1 Introduction

351. **Digital transformation is an enabler for all sectors and provides significant opportunities for inclusive economic growth.** By improving connectivity and access to information, ICT enhances efficiency and productivity across all sectors, enables the country to capitalize on emerging technologies, and enhances competitiveness. Digital tools and platforms facilitate better service delivery, increase transparency, and reduce transaction costs & lead time for acquisition of goods & services. In addition, ICT fosters innovation and entrepreneurship, creating new businesses and job opportunities. It also enables micro, small and medium enterprises (MSMEs) to access new markets and financial services. Through digital transformation, the country can leverage on real-time monitoring and instant data exchange are made possible by high-speed communication networks, robust computing power, rapid data storage, and vigilant network security.

352. **Digital transformation is key for the realization of the results of this Plan by making Government and business enterprises more effective, efficient, and competitive.** Digital technologies will be leveraged to optimize business processes in priority areas to enhance value addition. By availing the much-needed information for research and innovations, digital technologies support growth of the knowledge economy and creation of new sources of growth. Digital platforms will be leveraged to enhance the impact of wealth creation initiatives (PDM and EMYOOGA) by streamlining resource allocation and monitoring progress. Digital tools and platforms such as AI and cloud computing services provide scalable and cost-effective infrastructure utilization. By extending broadband connectivity to cities & urban centers, schools, and health centers, digital technologies will enhance the delivery of social services like health and education by providing real time data and facilitating remote access. Digital marketing and event management solutions will be key for hosting AFCON while smart city technologies will improve urban planning and delivery of services to the population.

353. **Digital Transformation is essential in attainment of global, regional and national development aspirations.** The SDGs, Africa Agenda 2063, and the EAC Vision 2050 seek to harness digital innovation to drive sustainable and inclusive growth. SDG 9 emphasizes the need to: increase access to information and communication technologies and providing universal and affordable access to the internet. The Africa's Agenda 2063 (Aspiration 1) envisions a digitally inclusive growth, focusing on robust ICT infrastructure, innovation and integration to achieve sustainable development and improved governance. The EAC Vision 2050 (Infrastructure Pillar) emphasizes digital transformation to bolster regional integration, enhance ICT capabilities and create a conducive environment for technology driven economic activities. The Programme also contributes to the attainment of the Uganda Vision 2040 which

aspires to have a robust, ultra-high-speed pervasive, intelligent, and trusted ICT infrastructure all over the country with the changing technologies.

354. **The potential of Digital Transformation as an enabler for all sectors and a development opportunity is hindered by:** limited connectivity across the country; high cost of end-user devices and digital services; low levels of digital literacy; cybersecurity risks and inadequate data protection and privacy; limited support systems for digital innovations and entrepreneurship; lack of a national spatial data infrastructure; and weak enforcement of policies, legal & regulatory frameworks and institutional coordination.

355. **The goal of this programme is increased ICT penetration and usage of ICT services for efficiency gains and job creation**.

15.2 Situation Analysis

356. **Broadband coverage has improved, however, fixed connectivity which offers more reliable and high-speed internet remains low.** Broadband coverage has increased to 85% in FY2022/23 from 74% in FY2017/18. However, broadband access is largely based on mobile broadband, with fixed-line broadband and fiber-optic connections lagging especially in rural areas. The National Backbone Infrastructure (NBI) across the country has increased to 4,387 km in FY2023/24 from 2,424km in FY2017/18, covering 57 districts out of the 135, connecting over 1440 MDA e-government services, and 21 major private telecom and internet service providers. Internet penetration has increased to 63.7% in FY2023/24 from 24.6% in FY2017/18 mainly due to increased private sector provision. However, last-mile connectivity to the NBI is low affecting the adoption of e-government services.

357. **The high cost of end-user devices and digital services also hinders internet penetration and usage**. The cost of internet access has progressively reduced to USD35 FY2022/23 per megabyte per second (Mbps) from USD70 in FY2017/18. Accordingly, commercial Internet Service Providers (ISPs) have slashed their prices for 1 Mbps/month to an average of USD 85 from USD 237 over the same period, however, this is still high. This is one of the reasons why many people are not using the internet and associated services. The average cost of an entry-level smartphone is also high ranging from Shs.200,000 to Shs.500,000.

358. **Significant achievements have been made in building Uganda's digital skill base, however, the level of digital literacy is low.** The proportion of the population that was digitally skilled in 2021 was estimated at 20%. As of 2023, over 1.5 million Ugandans had received some form of digital training, marking a considerable increase in the country's ICT workforce. This has empowered individuals across various sectors, increasing employability and supporting entrepreneurs by enabling them to effectively leverage online tools and platforms. However, challenges remain, particularly in ensuring equitable access to digital skills, especially for rural and underserved communities.

359. **There has been an increase in the use of digital services, which has significantly heightened Uganda's cyber risk and exposure.** The push towards remote and online working, accelerated by the COVID-19 pandemic and increased use of artificial intelligence, has further exposed MDAs and their staff to more sophisticated and rampant cyber threats. The incidence of cyber insecurity across MDA and LGs marginally reduced to 67.9% in FY2022/23 from 71.4% in FY2017/18, underlining the persistent vulnerabilities. In addition, as more services move online, data protection and personal privacy have become paramount for both public and private entities. The Data Protection and Privacy Act, Cap.97 has already made a significant impact, with the number of registered data processors and controllers increasing from 400 in FY2017/18 to 2,224 in FY2023/24. However, personal data and networks are still insecure and susceptible to cybercrime.

360. **There is progress in the provision of support services for digital innovations and entrepreneurship, however, it is inadequate to exploit the opportunities.** The National ICT Innovation Hub at Nakawa supports ICT innovators to nurture ideas towards the development and commercialization of their products. In addition, there are 15 privately managed ICT hubs such as Hive, Innovation Village, and Outbox located across the country. The ecosystems such as the information technology parks to attract anchor companies to the country are being established. However, the interaction between the triple-helix (academia, government, and industry) is relatively weak. In particular, there is low government uptake of home-grown digital products and services thus limiting the growth of start-ups.

361. **The lack of comprehensive national geospatial metadata hinders the utilization of spatial data for development planning.** Progress has been made in establishing the National Spatial Data Infrastructure, including the development of the geoportal for sharing geospatial datasets and the creation of national parish geodatabases to support decentralized, evidence-based planning. However, there is inadequate geospatial metadata across government agencies, which limits the full operationalization of the NSDI and its capacity to support sectors like urban planning, agriculture, and disaster management.

362. **Weak enforcement of policies, legal & regulatory frameworks and institutional coordination, however, there is a need for updated policies that address emerging digital trends and foster innovation to keep pace with technological advancements.** The existing policy, legal, and regulatory frameworks in Uganda provide a solid foundation for implementing digital transformation interventions. There are a number of Acts that provide for the use, security, facilitation, and regulation of electronic communications and transactions; to encourage the use of e-government systems notably; The Computer Misuse Act Cap.96; Data Protection and Privacy Act Cap.96; the Electronics Transactions Act Cap.99; The Electronics Signatures Act Cap.98, The National Information Technology Authority, Uganda Act Cap.200; and Uganda Communications Act Cap.103. Relatedly there are a number of policies and regulations that govern the industry to mention but a few Data

Protection and Privacy Regulation, 2020; Electronics Transactions Regulations, 2013; National Postcode and Addressing System Policy; National ICT Policy; National Board Band policy; National Information Technology Authority – Uganda (e-Government Regulations) 2014. These frameworks and policies collectively support the government's digital transformation agenda.

363. **Progress has been made in building human resource capacity to support Uganda's Digital Transformation agenda, but significant challenges remain.** Key institutions such as Uganda Institute of Information and Communications Technology (UICT), Makerere, Uganda Management Institute, Mbarara University of Science and Technology and Kampala International University have been instrumental in training professionals in fields like software engineering, cybersecurity, data science, and ICT management. Over the past five years, Makerere University alone has produced over 2,100 graduates in ICT-related fields which are critical for the country's transition to a digital economy. Programs like the National Backbone Infrastructure (NBI), Uganda Communications Commission (UCC), the growing telecommunication industry and the Digital Uganda Vision have benefited from this expanding talent pool, supporting projects aimed at improving internet access, e-government services, digital innovation and communication. However, there is still a mismatch between the skills provided by educational institutions and the demands of the rapidly evolving tech industry. The ICT graduates being produced are not yet meeting the demand of the private sector and many of them lack the practical skills and exposure to cutting-edge technologies such as artificial intelligence (AI), blockchain, and cloud computing and specialized talent in areas like cybersecurity, which is critical for safeguarding Uganda's growing digital infrastructure. The demand for skilled professionals in digital transformation far exceeds the current supply. Acute shortages are most evident in critical areas such as software developers, cybersecurity experts, data scientists, and cloud computing specialists. Meanwhile, there is an oversupply of labor in low-skilled ICT roles, such as basic IT support and general ICT technicians, which does not meet the needs of a rapidly evolving digital economy. Another key challenge contributing to this gap is the lack of practical, hands-on experience among graduates who leave school with insufficient exposure to the practical aspects of digital transformation. For details, refer to the annex on programme human resource requirements.

364. **To harness the full potential of digital transformation as an enabler for all sectors and a provider of development opportunities, this programme focuses on:** increasing connectivity across the country; enhancing support systems for digital innovations and entrepreneurship; increasing uptake of end-user devices and digital services; fostering digital skills & literacy; promoting cybersecurity and data protection; strengthening enforcement of policies, laws & regulatory frameworks and institutional coordination.

15.3 Programme Objectives

365. The objectives of this programme are to:

i) Increase internet connectivity across the country;
ii) Improve efficiency in business processes and public service delivery;
iii) Increase uptake of digital products & services;
iv) Increase cybersecurity and data protection; and
v) Strengthen enforcement of policies, laws & regulatory frameworks, and institutional coordination.

15.4 Programme Results

366. The desired high-level Programme results by the year 2029/30 are:

i) Increased national broadband coverage with a minimum speed of 8 Mbps from 55% in FY2023/24 to 70%;
ii) Increased proportion of the population satisfied with e-government services from 22.2% in FY2023/24 to 30%;
iii) Increased Percentage of Parishes with broadband connectivity from 72% in FY2023/24 to 85%;
iv) Improved turnaround time for e-government services:
    a) Building plans from 3 months in FY2023/24 to 1 month; and
    b) Registration of transfers of titles from 10 working days in FY2023/24 to 5;
v) Increased proportion of the population using the Internet from 20% in FY2023/24 to 45%;
vi) Increased proportion of local products commercialized (both government and private sector) from 23% in FY2023/24 to 45%;
vii) Increased proportion of the population that is digitally skilled from 26% in FY2023/24 to 36%;
viii) Improved cyber security posture of the country from 50.65% in FY2023/24 to 60.65%;
ix) Improved compliance with the Data Protection and Privacy Act Cap.97 from 6% in FY2023/24 to 30%; and
x) Increased growth in investment in ICT from 1.8% in FY2023/24 to 2.3%.

15.5 Interventions

367. To achieve the above results, the following interventions (Table 15.1) have been prioritized under this Programme.

Table 15.1: Digital Transformation interventions and respective actors

Interventions	Actors
Objective 1: Increase ICT connectivity across the country	

Interventions	Actors
1. Extend broadband ICT infrastructure coverage countrywide a) Extend last-mile connectivity of the NBI by 5,613 km b) Implement last-mile connectivity with alternative technologies to sites including strategic tourism sites, AFCON facilities, hotspots in the GKMA, etc. c) Extend high-speed broadband to schools, tertiary institutions, hospitals, LGs, etc.	NITA-U/UTEL, UTEL, MoICT&NG, NITA-U/UCC
2. Expand the Digital Terrestrial Television free to air Broadcasting network a) Establish additional Digital Terrestrial Transmission sites to 11 sites including Moroto, Kotido, Kitgum, Kapchorwa, and Tororo districts	UBC/SIGNET
3. Modernize the public broadcaster infrastructure a) Upgrade UBC studios from digital broadcasting to Ultra-high definition and digital video broadcasting (DVB+)	UBC
4. Establish and enhance national common core infrastructure including data centres, high-power computing centers, and specialized labs	NITA-U
Objective 2: Improve efficiency in Business process and public service delivery	
1. Digitalize government services a) Support automation of PDM pillars b) Develop and roll out integrated enterprise e-government systems	MoICT&NG, NITA-U
c) Implement smart cities through the development of intelligent Information systems for traffic, waste, urban planning, and air quality management	KCCA, MoLG
2. Automate identified postal services	POSTA
3. Implement the national addressing system	MOICT&NG
4. Develop and integrate a comprehensive geospatial metadata catalog in national spatial planning processes	NPA
Objective 3: Increase uptake of digital products and services	
1. Support local innovation and commercialization of homegrown products. a) Through the development and marketing of the innovations	MOICT&NG, NITA-U, UICT, UCC
2. Develop innovation and incubation Centers in Gulu, Kabarole, and Mbale	MoICT&NG, NITA-U
3. Implement specialized ICT and basic digital skills training programmes including emerging technologies such as blockchain technology, Artificial Intelligence, Machine Learning (ML), Internet of Things (IoT), Cloud Computing, 5G and Next-Generation Networks, and Robotics.	UICT, UCC, MoICT&NG
4. Develop ICT centers of excellence to support applied research through upgrading and expansion of teaching facilities	UICT, UCC
Objective 4: Increase cyber security and data protection	
1. Implement and enforce the Data Protection and Privacy Act Cap.97 and its regulations	NITA-U
2. Strengthen cyber security resilience across all sectors of the economy. a)	NITA-U, UCC
Objective 5. Strengthen institutional coordination and enforcement of polices, laws, and regulatory frameworks	
1. Enforce compliance with ICT policies, laws, and regulations.	MoICT&NG, UICT, UCC, NITA-U

Interventions	Actors
2. Review and develop appropriate policies, strategies, standards and regulations that respond to industry needs a. The National ICT Policy 2014 b. The National Broadband Policy 2018 c. National Communicational Policy d. Electronic Waste Management guidelines. e. National Postal Policy 2012	MoICT&NG, UCC, NITA-U
3. Strengthen coordination, planning, and implementation a. Functionalize the programme secretariat b. Improve Administrative Efficiency for the programme c. Capacitate programme actors to deliver the programme	MOICT, UCC, NITA-U

Source: Programme secretariat, 2024

15.6 Implementation Reforms

368. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years are:

i) Develop a comprehensive national infrastructure integration policy is needed to coordinate the deployment of ICT, telecom, electricity, road, and water infrastructure to enable shared planning, investment, and implementation across these areas.

15.7 Programme risk and mitigation

369. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) **Service disruption due to fiber cuts and destruction of ICT Infrastructure.** The likelihood of fiber cuts and infrastructure damage is high due to uncoordinated construction activities, natural disasters, vandalism, or lack of proper maintenance. This can lead to significant service disruptions for both consumers and businesses. This can be mitigated by:

a) Establishing a coordinated physical infrastructure planning and deployment, while mandating private telecommunications providers to ensure redundancy in connectivity. This includes using alternative routes to connect to the sea backbone, such as satellite or microwave links, which can serve as backups in case of fiber cuts. and
b) Implementing stronger laws and regulations aimed at protecting ICT infrastructure, with strong punitive measures for individuals found vandalizing communication infrastructure.

ii) **Cybersecurity Attacks.** As the country increases its digital footprint, it becomes a more attractive target for cybercriminals. Therefore, the likelihood of cybersecurity attacks is high due to the rise in online services without robust cybersecurity measures. This exposes the country to various cyber threats, including data breaches, ransomware, and identity theft. This can be mitigated by investing in advanced cybersecurity technologies that enhance threat detection and incident response capabilities, including the employment of artificial intelligence and machine learning tools to monitor and identify suspicious activities in real time. In addition, government should strengthen collaborative partnerships with the private sector, and international cybersecurity organizations to share intelligence, best practices, and resources for managing cyber threats effectively.

iii) **Misaligned Energy Supply for ICT Infrastructure.** The likelihood of the inadequate and unreliable energy supply to disrupt ICT services is high, particularly in rural and underserved areas where access to stable electricity is often limited. This misalignment can affect the operation of data centers, telecommunications equipment, and other digital services. To mitigate this, there is a need for engagement with energy providers to ensure a reliable supply of power to strategic ICT facilities. This could include establishing public-private partnerships to develop renewable energy solutions, such as solar energy, which can provide consistent power to remote areas. In addition, promote the use of alternative energy solutions that are both cost-effective and sustainable, such as solar, wind, and biomass energy, to power ICT infrastructure.

iv) **Poor management of E-Waste.** The rapid growth of digital devices leads to increased electronic waste (e-waste), which creates significant environmental hazards if not managed properly. The likelihood of improper disposal of ICT equipment is high which may lead to soil and water contamination and health complications. There is a need to develop and implement a comprehensive e-waste management strategy that includes recycling programs, proper disposal methods, and public education on responsible disposal of electronic devices as well as encourage partnerships with NGOs and private companies that specialize in e-waste recycling.

v) **Weak Laws, Policies, and Regulations.** The rapid pace of technological advancement can outstrip the development and enforcement of relevant laws and policies in Uganda. This creates regulatory gaps that can hinder effective governance of the digital landscape. Therefore, there is a need to establish mechanisms for continuous assessment and updating of ICT policies and regulations to ensure they remain relevant and effective in addressing emerging technologies and challenges. Additionally, stakeholders, including technology experts, civil society, and the private sector, should be engaged in the policy-making process to ensure that new regulations are comprehensive and practical.

CHAPTER 16: SUSTAINABLE URBANIZATION AND HOUSING

16.1 Introduction

370. **Sustainable urbanization leads to substantial productivity gains supported by scale, density, and agglomeration.** The concentration of people, businesses, industries, and services fosters innovation, knowledge exchange, and economies of scale, leading to higher productivity, investments, enterprise development, market concentration, and job creation. Ultimately, urban centers stimulate economic dynamism, higher income, better social infrastructure and demand for goods and services that lead local economic development and improved living conditions. Sustainable housing and construction industry stimulate and sustains employment, house-based enterprises, tax compliance, health and education outcomes. Effective land management creates a structured environment where urbanization can thrive by preventing urban sprawl and reducing conflicts over land use.

371. **Planned urbanization, housing, and land management are crucial for the realization of priorities of the Plan.** Planned urbanization creates efficient logistical centers, provides market for high value products and supportive infrastructure such as industrial & ICT innovation parks, which are crucial for value addition. It also offers a conducive environment for creative industry and sports as a source of jobs and additional revenue. This is crucial for Uganda to harness the opportunities that will come with hosting of the AFCON. Investment in GKMA as a major economic and logistical hub for Uganda will increase productivity in all aspects of the economy including FDI, tourism, efficient public services, and highly improved quality of life. In addition, improved urban physical planning and enforcement facilitates better targeting and follow-up on wealth creation initiatives such as PDM and EMYOOGA. Planned land use and management in urban areas will address the challenge of access to right of way for infrastructure development including industrial parks, transport, energy, and housing infrastructure. This will reduce delays in and cost of infrastructure development. Housing will provide shelter, create jobs in construction, materials supply, and related industries, and enable urban residents to engage in income-generating activities more effectively.

372. **This programme seeks to make cities and human settlements inclusive, livable, and well-planned environments in line with Agenda 2030 (SDG 11), Agenda 2063 (Goal 1, Aspiration 4), and the EAC Vision 2050**. This is to be achieved through elimination of slum like conditions, safe and affordable housing, provision of accessible and affordable transport systems, reduction of urban sprawl, enhancement of cultural and heritage preservation, addressing urban resilience and climate change challenges among others. This programme also supports the Uganda Vision 2040 aspiration of better urban systems to enhance

productivity, livability, and sustainability while releasing land for commercializing agriculture.

373. **The opportunities from urbanization and housing in Uganda are undermined by:** unplanned urbanization; inadequate and dilapidated urban transport, lighting, and housing infrastructure especially in the GKMA; inadequate supportive infrastructure and facilities for the creative industry; poor drainage and waste management system; urban crime; inadequate business development services; complex & costly land acquisition and lack of a public land banking scheme for major urban infrastructure; adverse climate change effects, and weak policy, legal and regulatory gaps.

374. **The goal of this programme is well-planned and productive urban centers with affordable housing.**

16.2 Situation Analysis

375. **The high rate of urbanization offers immense opportunities that Ugandan can harness, if well planned**. At 5.4%, the rate at which Uganda is urbanizing is one of the highest in the world. Urban areas contribute 70% of non-agricultural GDP, hosting 24% of the population. However, this rate of urbanization has not been matched by the corresponding rate of physical planning, infrastructure development (including value addition infrastructure), the necessary social services, security, and drainage & water management system. This section provides the situation analysis on each of these issues.

376. **Uganda's urban centers are largely unplanned with only 3 of the 11 cities having physical development plans**. Although, the National Physical Development Plan (NPDP) 2022-2040 was approved to guide integrated physical and spatial planning, its implementation at lower levels remains low. Uganda's economic and logistic hub, GKMA has no integrated physical development plan. However, GKMA Integrated Urban Development Master Plan (GKMA-IUDMP) and Kampala Physical Development Plan (KPDP) are being developed and updated, respectively with support from JICA. Only14 out of 31 municipalities and 45 of 580 town councils have Physical Development Plans. Even those with physical development plans have not developed, detailed plans to guide and regulate development. On average, less than 25% of the existing physical development plans have been implemented. This unplanned urbanization limits the realization of the potential economic, social, and environmental benefits associated with well-planned urbanization.

377. **Rapid urbanization has led to high demand for housing outpacing the supply of housing and complementary infrastructure & social amenities**. The percentage of urban dwellers living in slums and informal settlements reduced to 54% in FY2022/23 from 60% in FY2017/18, however, this is still high. The housing deficit increased to 2.5 million from 2.2

million over the same period. The private sector has played a big role in addressing the housing deficit; however, the houses are not affordable and, in some cases, do not meet the building codes and standards. At a median income of 220,000 a month in 2020, 96% of Ugandans cannot afford the cheapest typical house formally constructed by a private developer. The slow pace of affordable housing has led the majority of urban dwellers to live in unplanned neighborhoods with poor road network, drainage, sanitation and waste disposal.

378. **There has been an improvement in urban infrastructure, albeit a maintenance backlog especially in GKMA**. The stock of urban paved roads has increased to 2,246 km (11% of total urban roads) in FY2022/23 from 1,230 km (6.2%) in FY2018/19. In particular, the paved road network in the KCCA increased to 36.5% in FY2023/24 from 28.997% in FY2020/21. In addition to road infrastructure, there has been improvement in drainage systems and street lighting in selected municipalities and cities through the Uganda Support to Municipal Infrastructure Development (USMID). Other workplace infrastructures have been developed such as markets, taxi parks, and open spaces. However, the condition of roads (both paved and unpaved) in the GKMA has continued to deteriorate, with a significant portion of paved roads requiring rehabilitation due to fair or poor conditions. The percentage of paved road network in good condition reduced to 35.46% in FY2023/24 from 42.64% in FY2020/21.

379. **Additionally, there are efforts to increase transport connectivity in the GKMA, however, these are inadequate leading to traffic congestion, exacerbated by the lack of mass public transport system.** In an attempt to improve traffic flow in Kampala, the Northern bypass and the flyover were constructed, however, connectivity within the GKMA is still a challenge. Due to limited connectivity, traffic congestion is high, costing the country approximately 6.7% of the GKMA's GDP annually. Several connecting roads that would have eased congestion are unpaved. This is exacerbated by the lack of mass transport system with public transport dominated by privately owned 14-seater taxis and boda-bodas. Further, there is lack of non-motorized modes of transport (such as cycling and walking) to improve city mobility and wellbeing of the urbanites.

380. **Inadequate infrastructure for the creative industry hinders realization of the potential for the industry**. Performing arts infrastructure across the country remains limited and unevenly distributed which limits production. There are only five performing arts theatres which are located in the central region and 10 functional standard cinemas in Kampala, Entebbe and Mbarara. Uganda has 42 public libraries, 1 public art gallaries and 1 public museum. Live performance venues, exhibition spaces, and recording studios are also limited, which undermines creativity. Sports facilities that meet international standards are limited, with only two stadia accredited. All Boma grounds are in a poor state and lack facilities to promote sports and talent development.

381. **Progress has been made in solid waste management; however, waste collection, disposal, and recycling are not satisfactory**. There has been an increase in collection of solid waste to 74.9% in FY2022/23 from 53.6% in FY2020/21 in the 10 cities and 12 municipalities. This is as a result of government interventions including: training urban managers in solid waste management; provision of solid waste collection trucks to cities and municipalities; development of solid waste management strategies for the 8 municipal councils of Ntungamo, Busia, Apac, Kitgum, Mubende, Kasese, Lugazi and Kamuli; and development & appraisal of 2 profiles for 2 GKMA solid waste management sites namely: Nkumba under Entebbe municipality and Kiteezi under KCCA. However, there are inadequacies in the stages of waste collection, transportation, recycling and disposal. Further, waste management in most urban areas in Uganda is characterized by nonseparation of waste at both source and final disposal. The municipal authorities are inadequately equipped and financed to execute their mandate of providing waste management services. The potential of turning waste to resource has not been fully explored and largely remain ad hoc and at household level.

382. **There has been progress in the provision of drainage infrastructure in urban areas, however, this is not adequate to address the rain water runoff**. Through the Kampala Institutional and Infrastructure Development Project (KIDP), critical drainage channels such as Lubigi, Nakamiro, and Nalukolongo were upgraded and several secondary drains connecting to these primary channels have been rehabilitated. However, encroachment to the natural drainage paths and poor waste disposal especially plastic bags have clogged these drainage channels, which is exacerbated by lack of regular maintenance. The natural ecosystems that would have helped to attenuate the runoff have been heavily encroached.

383. **There have been efforts to establish street addressing system, however, this is inadequate to aid emergency** responses. Efforts have been made to locate streets/roads, plots and buildings, some of which have been assigned identification numbers. However, this is limited to the earlier well-planned central business districts (CBDs) and colonial settlements in different urban areas as well as few real estates. Unplanned settlements in the urban areas has hindered in street addressing undermining effective emergency response including security, health, and fire.

384. **There are efforts to streamline the process of land acquisition, however, the process is still complex and time consuming, with a lot of hidden costs and risks involved.** Land record and registration system have been automated and land registration services decentralized, contributing significantly to the reduction of the number of days of transfer of property. However, the land market is complicated by several factors including the dual ownership between the Mailo owners and the “bonafide” occupants which increases the cost of land acquisition due to the numerous compensations; and difficulty in retrieval of registered transactions for a given physical plot of land under customary tenure. In addition, there is still bureaucracy in obtaining land titles and a lot of informality in land acquisition which has

contributed to the distortion of the value of land, created artificial title processing costs, and unnecessarily increased cost of land acquisition. The absence of a public land banking scheme complicates the acquisition of land for foresighted infrastructure projects.

385. **There have been strides towards combating adverse climate change effects in urban areas, however, physical, social and economic losses due to effects of climate change persists**. The guidelines for mainstreaming climate change in the Lands, Housing and Urban Development sector, 2018, climate change profile for 21 urban councils, 2018 and the Kampala Capital Climate Change Strategy, 2016, among others were developed. However, climate change related impacts have continued to cause physical, social, and economic losses, including; damages to infrastructure; housing, roads, bridges, drainage systems, disruptions in water and energy supply. This has exacerbated the vulnerability of especially poor communities in urban places. These effects manifest through increased. The urban poor and other vulnerable groups living in slums and informal settlements bear the biggest brunt of climate change induced extreme weather events. Unfortunately, many cities and urban areas have very limited capacities to plan, manage and respond to climate change eventualities and this in itself undermines the resilience of urban areas to climate change.

386. **There exists an elaborate policy, legal, and institutional framework for the urbanization, housing, and land management, however, there are inconsistencies which limits enforcement**. Government has introduced policies like the National Urban Policy (2017), National Housing Policy (2016), and National Land use Policy 2013 to foster sustainable urban development and affordable housing, however, there is no comprehensive legal framework to effectively implement these strategies. Additionally, due to the prevailing circumstances in the commercial banking sector, Housing Finance Bank has shifted its focus to commercial lending, and the National Housing and Construction Company (NHCC) often provides housing units that are not affordable for many Ugandans. The current legislative framework in Uganda does not adequately support the management of newly created cities and metropolitan areas. The existing Local Government Act Cap.138 lacks specific guidelines and institutional structures for managing new cities and metropolitan areas, treating them only as administrative units rather than as dynamic entities with significant socio-economic potential.

387. **The Program has made progress in building human resource capacity to support sustainable urban development and housing initiatives across the country, although there are still gaps.** Training institutions, including universities and vocational training centers, have contributed significantly to preparing professionals in key areas such as urban planning, architecture, environmental management, and housing development. These educational efforts are crucial in equipping individuals with the necessary skills to address the complexities of urbanization, including infrastructure development, waste management, and sustainable housing solutions. Despite these achievements, significant challenges remain in

meeting the human resource requirements for the program. There is a critical shortage of professionals in essential fields, such as urban and regional planning, sustainable construction practices, and smart city technologies. These skills are vital for creating resilient urban environments that can accommodate rapid population growth while ensuring sustainability and livability. Additionally, there is an urgent need for specialists in housing finance, real estate development, and community engagement to facilitate inclusive housing policies and ensure that urbanization benefits all segments of the population. Addressing these shortages is essential for implementing effective housing strategies and improving living conditions in urban areas. On the other hand, an oversupply of personnel in low-skilled roles, such as general laborers in construction and maintenance, has been observed. While these positions are necessary for basic operations, this oversupply indicates a misalignment between the existing workforce and the specialized skills required for sustainable urban development. It is important to address these gaps to ensure a skilled workforce capable of driving sustainable urbanization initiatives and improving housing conditions across Uganda. For details, refer to the annex on programme human resource requirements.

388. **To ensure well-planned and productive urban centers with affordable housing, this programme focuses on:** enhancing implementation of the urban plans; developing and maintaining urban transport, lighting, and housing infrastructure; developing and improving supportive infrastructure and facilities for the creative industry; developing appropriate drainage and waste management system; providing business development services; improving the land acquisition process; and strengthening the policy, legal, institution, and coordination frameworks.

16.3 Programme Objectives

389. The objectives of this Programme are to:

i) Develop and maintain urban infrastructure in line with physical development plans;
ii) Develop appropriate drainage and waste management systems;
iii) Reduce the affordable decent housing deficit;
iv) Increase economic opportunities in urban areas; and
v) Strengthen the policy, legal, institutional, and coordination frameworks.

16.4 Programme Results

390. The desired programme results by FY2029/30 are:

i) Improved mobility and accessibility in urban areas:
   a) Reduced travel time in GKMA (Min/km) from 4.14 in FY2023/24 to 3.5; and
   b) Reduced travel time in other Cities (Min/km) from 4.14 in FY2023/24 to 2.02.

ii) Improved urban infrastructure:
   a) Increased proportion of urban roads paved from 7.7% in FY2023/24 to 11.5%; and
   b) Increased proportion of urban drainage channels constructed from 15.6% in FY2023/24 to 37.6%.

iii) Improved livability and cleanliness of urban areas;
   a) Reduced annual average air pollution level in the GKMA from 40 μg/m3 in FY2023/24 to 25 μg/m3;
   b) Increased proportion of municipal waste disposed off in gazetted areas from 72% in FY2023/24 to 85%; and
   c) Improved land tenure security Increased proportion of total adult population with secure tenure rights to land, with legally recognized documentation from 5.7% in FY2023/24 to 10%.

iv) Increased compliance to land use in urban areas:
   a) Level of compliance to physical development plans from 15% in FY2023/24 to 50%; and
   b) Percentage of cities and municipalities with approved physical development plans from 30% in FY2023/24 to 70%.

v) Increased access to affordable and decent housing;
   a) Reduced housing deficit from 2,400,000 in FY2023/24 to 1,900,000 housing units.

vi) Increased business growth in urban areas:
   a) Increased business registration rate from 30% in FY2023/24 to 50%; and
   b) Reduced urban unemployment rate from 12.8% in FY2023/24 to 8.5%.

vii) Improved governance and institutional capacity; and
viii) Improved performance of the SUH programme from 33% in FY2023/24 to 90%.

16.5 Interventions

391. To achieve the above results, the following interventions (Table 16.1) have been prioritized under this Programme.

Table 16.1: Interventions and respective actors under SUHP

Intervention	Actors
Objective 1: Develop and maintain urban infrastructure in line with physical development plans	
1. Promote integrated land use planning and enforcement of land use plans in urban areas. a. Develop and implement metropolitan area physical development plans (GKMA); b. Develop and implement city physical development plans;	NPA, MoLG, MoLHUD, KCCA, LGs

Intervention	Actors
c. Develop and implement municipality physical development plans; d. Develop and implement town council physical development plans.	
2. Establish a land banking system for foresighted urban infrastructure and affordable housing	MoLHUD, ULC, LGs.
3. Invest in GKMA, cities and other strategic urban areas as Uganda's gateway to the world. a. Construct strategic urban roads; b. Construct primary and secondary drainages in urban areas c. Pilot the Bus Rapid Transit (BRT) in key Corridors; d. Develop intermodal hubs and logistics centres; e. Implement urban greening; f. Street and traffic lights; and g. Construct non-motorized transport corridors in urban areas h. Construct markets in key urban areas	MoKCCA&MA, MoWT and MoLHUD KCCA, LGs
Objective 2: Develop appropriate drainage and waste management systems	
1. Develop waste management systems. a. Develop and enforce the Waste Management Policy; b. Develop and implement citywide waste master plans; c. Implement the '4R' (Reuse, Reduce, Recycle, and Recover) waste model in both residential and commercial settings.	MoLG, MoWE, MLHUD, NWSC, NEMA, KCCA, LGs
2. Develop and maintain urban drainage systems; a. Construct and maintain road drainage systems Maintain natural drainage systems.	
Objective 3: Reduce the affordable decent housing deficit	
1. Undertake policy reversal to change the status of NHCC from a limited liability into a corporation of government	MLHUD, MoJCA, MoFPED
2. Capitalize Housing Finance Bank and NHCC a. Extend credit lines targeting mortage funding to low income earners	MoFPED
3. Fast-track the establishment of a legal and institutional framework to regulate and promote the real estate sector.	MLHUD, MoFPED
4. Fast-track the establishment of a mortgage refinancing facility.	MoFPED, BOU
5. Develop and implement affordable housing programmes for priority categories of people including UPDF, Police, teachers, health workers, entitled public servants in hard to reach areas, prisons, and VVIPs.	MLHUD, MoWT
6. Increase access to non-bank housing financing. a. Housing SACCOs b. Shelter microfinance facilities.	MoFPED, Micro Finance Support Center (MSC)
7. Through PPPs, develop and implement slum upgrading programmes in urban areas	MLHUD, MoWT, LGs
Objective 4: Increase economic opportunities in urban areas	
1. Develop and implement investment profiles for strategic urban areas.	MLHUD, MoLG, LGs
2. Support MSMEs in cities and Municipalities.	MoLG, MoTIC, KCCA, LGs
3. Develop and implement free zones in GKMA and other urban areas.	MoKCCMA, KCCA
4. Establish export business accelerators for incubation of MSMEs in public free zones.	URZEPA
5. Establish and operationalize culture & creative industry, and sports facilities.	MoGLSD, KCCA, LGs
Objective 5: Strengthen the policy, legal, institutional, and coordination frameworks	
4. Improve, policy, legal, and institutional framework for sustainable urbanization and housing 5. Improve administrative infrastructure 6. Strengthen planning, coordination, monitoring, and evaluation for improved service delivery	MLHUD, MoLG, KCCA, LGs

Intervention	Actors
7. Develop a Cities' Law to operationalize the newly created cities	

Source: Programme secretariat, 2024

16.6 Implementation Reforms

392. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years are:

i) Undertake policy reversal to refocus the National Housing and Construction Company towards its original intention of providing affordable housing to different market segments; and
ii) Undertake policy reversal to refocus Housing Finance Bank to its original intention of providing mortgage financing facilities.

16.7 Programme risk and mitigation

393. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) **Politics and Governance**. Potential tension between the political leadership and technical management teams arising from the differences in priorities and interests. The political leadership and technical management team risk is substantial and can lead to delays in decision-making, programme intervention implementation, and loss of resources. To address this, there is a need to regularly undertake mitigation sessions for political and technical leadership on Programme achievements and challenges;
ii) **Macroeconomic Environment**. External risks, such as Development Partners (DPs) reduction, suspension, or change of financing instruments to SUH Programme interventions are one of the risks that can affect the Programme performance. Whereas the risk is low for the already committed projects like the GKMA-UDP, for the pipeline projects anticipated to be implemented in the NDPIV period, proactive strategies to find alternative sources of financing and ensure resource use efficiency is required. Further, timely information sharing and ensuring synergies and complementariness in Programme intervention implementation among the different entities and other stakeholders can help mitigate the risk;
iii) **Technical Design of SUH Programme**. The SUH Programme has many projects in each of its objectives needs to be studied by the government. This is a moderate risk that can negatively impact on attainment of the Programme results. The SUH Programme needs to undertake thorough studies, review, and consolidate some of the proposed projects to achieve urbanization gains and spur the projected growth. The interventions with projects need to have engineering designs and studies, Resettlement Action Plans (RAP) and ESIAs before financial investments/contracts are signed;

iv) **Institutional Capacity for Programme Intervention Implementation and Sustainability**: Inadequate staffing at some entities like MoKCC&MA, MoLG, and MTIC coupled with meagre recurrent resources that reduce and constrain the institutions' performance and service delivery. This is a substantial risk since the institutions are also faced with an inadequate budget for the Right of Way (ROW) and Resettled Action Plan (RAP) implementation as well as limited Own Source Revenue (OSR) / Non-Tax Revenue (NTR) to support operation and maintenance (O&M) of the built infrastructure especially on donor-funded Programme projects/interventions. To mitigate this risk, the GoU should finance the OSR mobilization strategies proposed under the Programme, provide an adequate budget for ROW acquisition, land banking, and RAP implementation for urban infrastructure, and provide and finance capacity building and retooling projects for the institutions under the SUH Programme;

v) **Fiduciary**. There might be a risk of limited coordination and supervision of Programme interventions given some of the interventions are to be implemented in local governments and will require adequate monitoring and timely reporting, especially at the Programme Secretariat level. Whereas this risk is rated as low, GoU should prioritize and provide an adequate budget for coordination, supervision, and M&E;

vi) **Land, Environment, and Social Risks**. Limited coverage and implementation of environment, climate change, and social safeguard framework including the mitigation plans while implementing the Programme interventions poses a substantial risk. In addition, limited implementation of waste management interventions may lead to disasters, loss of properties and lives, and limited land tenure security may limit productivity and urbanization gains. To address the Land, Environmental, and Social Risks, GoU should provide an adequate budget to support climate change, environment, and social safeguard interventions; invest in sustainable waste management; and implement holistic programs for mass land registration, land banking, and ROW acquisition; and

vii) **Stakeholder Risks**. Delays in Cabinet and Parliamentary approvals for the projects and programme credit financing schemes pose a moderate risk in attaining the programme results. The Ministers responsible for MoFPED, MoLHUD, MoLG, and MoKCC&MA should engage the relevant Parliamentary Committee(s) and explain the Programme scope and rationale to ensure quick consideration, clearance, and approvals.

CHAPTER 17: HUMAN CAPITAL DEVELOPMENT

17.1 Introduction

395. **Human capital development plays a crucial role in unlocking the full potential of individuals and societies thereby enhancing productivity and the quality of life**. A healthy, well-educated, and skilled population boosts productivity, innovation, creation, uptake, and diffusion of knowledge and modern technologies in different sectors of the economy. It reduces poverty and inequalities, improves welfare and resilience through social protection, and produces intergenerational benefits. Investment in human capital enhances earnings, increasing effective demand which supports production. With the right mindset, the dividends of human capital development are amplified.

396. **Targeted investments in human capital development provide a knowledgeable, skilled, healthy, talented population and ethical laborforce, necessary to realize the priorities of the Plan.** This labor force is necessary for value addition in key growth areas and infrastructure development and maintenance. Human capital accumulation in STI enables the development of innovations, research, and technologies to facilitate the growth of the knowledge economy. The appropriately skilled and ethical workforce enables the delivery of cost-effective social services through optimal resource use and service efficiency. Nurturing and developing talents is crucial for harnessing the potential of the culture & creative industry and sports, especially at a time when the country is preparing to host the AFCON. Community mobilization and mindset change as a component of human capital development is critical to ensure that the citizens maximize the benefits of wealth creation initiatives such as PDM and EMYOOGA. Enhancing the quality of the education system, investment in preventive health care and specialized health care & WASH value chain will enable the country to save and generate resources.

397. **This programme significantly advances the global, regional, and national development agendas contributing to multiple goals and targets.** It supports SDGs 1, 2, 3, 4, 5, 6, 8, &10: which provide for poverty reduction and enhancing resilience; ending hunger, achieving food security and improved nutrition; ensuring healthy lives and promoting the well-being; equitable quality education; gender equality; provision of clean water and sanitation; full and productive employment and decent work; and reduced inequality. Africa Agenda 2063, (Aspirations 1,5 & 6), and EAC Vision 2050 (Pillars 8,9, & 10) provide for the attainment of quality life, inclusive growth, job creation, gender equality, youth empowerment and provision of basic services. The Uganda Vision 2040 aims to develop human capital as a fundamental to exploit opportunities and harness the demographic dividend.

398. **The contribution of human capital to the achievement of the priorities of the Plan is constrained by several challenges**: weak foundation for human capita broad-based population age structure; knowledge and skills gaps; weak talent development and nurturing;

inadequate supportive infrastructure and facilities for the creative industry and sports; inadequate infrastructure and functionality of the health and education systems; limited adoption of preventive health measures; high child labor, child marriages, and teenage pregnancies; food and nutrition security; limited coverage of WASH; insufficient coverage of social protection; gender inequality and inequities; non-developmental mindset; limited institutionalization and integration of human resource planning and development; and high cost of provision and access to health and education services.

399. **Therefore, the goal of this programme is a healthy, knowledgeable, skilled, ethical, and productive population**.

17.2 Situation Analysis

400. **Uganda's youthful and growing population presents an opportunity to harness a demographic dividend if human capital is effectively developed**. With 73.2% of the population aged between 0-30 years and a projected population increase to 104 million by 2060 from 45.9 million in 2024, the potential for economic growth is substantial if right investments are made in health, education, and skills development. There has been an improvement in the Human Development Index (HDI) to 0.550 in 2022 from 0.525 in 2021, repositioning the country from the Low Human Development category to the Medium Human Development category. However, human capital remains underdeveloped. The Human Capital Index (HCI) is low at 0.38, indicating that children born today will likely be only 38% as productive as they could be with complete education and full health. The status of the human capital is detailed below.

401. **Uganda has made progress in reducing the population growth rate yet the population age structure is still broad-based made up of about 44% child dependents.** Increased investments in access to health and education services leading to a decline in population growth rate to 2.9 in 2024 from 3.0 in 2014 and a fertility rate decline to 5.2 children per woman in 2022 from 5.4 in 2016. However, the biggest number of the population is aged 0-14 years which constituted 16.6 million in 2014 and has increased to 20.1 million in 2024 leading to a high dependency burden.

402. **Uganda has made significant progress in maternal and child health, yet challenges in newborn health issues weaken the foundation for human capital.** Since 2016, the number of mothers dying during childbirth has dropped by 44%, and the death rates for children under five and infants have also decreased (Table 15.1). This success is largely due to the increase in free prenatal care, with more pregnant women attending check-ups and giving birth in hospitals, rising from 73% to 91%. Health facilities have enhanced their services, with high availability of care during delivery, emergency obstetric services, including C-sections, and blood transfusions. Despite these improvements, there remains a significant unmet need for family planning with 22% of Ugandan women aged 15-49 lacking access and neonatal deaths

remain high at 22 per 1000 live births and contributing the highest to infant mortality. This indicates a pressing need for focused efforts to improve care and outcomes for newborns. There have also been improvements in child nutrition as wasting in children under five dropped to 2.9% from 4%, obesity to 3.4% from 7.5%, and stunting decreased to 26% from 29% between 2016 and 2022, however, poor maternal nutrition and a high prevalence of micronutrient deficiencies persist.

Table 17.1: Performance of health outcomes between FY2016 and FY2022

No.	INDICATOR	FY 2016	FY 2022
1.	Maternal Mortality Ratio	336/100,000 live births	189/100,000 live births
2.	Under-Five Mortality Rate	64/1,000 live births	52/1,000 live births
3.	Infant Mortality Rate	43/1,000 live births	36/1,000 live births
4.	Neonatal Mortality Rate	27/1,000 live births	22/1,000 live births

Source: Uganda Demographic Health Survey (UDHS) 2016 and 2022

403. **Primary school enrolment has increased, however, access to Early Childhood Care and Education (ECCE) especially in rural areas is low, which weakens the foundation for human capital.** Enrolment in primary school has increased to 10.2 million in 2022 from 8.8 million in 2018, however, 84% of children aged 3-5 are not receiving ECCE. Moreover, the quality of ECCE is often poor, with many centers unlicensed and caregivers unqualified. Although the number of qualified primary school teachers has increased and classroom ratios have improved, around 20% of children aged 6-12 are not in school (UNHS, 2019/20). Even those who attend often register low learning outcomes. Whereas the desired years of learning in Ugandan is 11, children are completing 6.8, which equates to only 4 quality-adjusted years. This underscores the need for improving both access and quality of ECCE and primary education to provide a stronger education foundation.

404. **Uganda's human capital is characterized by gaps in knowledge, skills, and attitudes, which limit employability**. Despite numerous skilling programs to boost youth employment, there is limited alignment between the skills supply and demand. This is attributed to; limited instructors with pedagogical skills and industry experience, limited work-based training, and inadequate training infrastructure & facilities. Furthermore, the absence of a National Qualifications Framework (NQF) and a centralized admission system to align admissions with the national human resource needs, low enrolment in scarce skills like STEM courses (39% of total enrolment), low research capacity and absence of a national research agenda, low staffing levels (averaging 40%) and weak quality assurance system at universities and limited internationalization & certification of training programmes exacerbate the problem. Whereas the Presidential Industrial Zonal Skilling Hubs have shown significant potential in addressing youth unemployment, with a 75% transition rate from training to entrepreneurship, the hubs face critical challenges. These include underqualified instructors, insufficient funding (currently at 3,000,000 UGX per student, unchanged since 2016), lack of start-up kits for graduates, and limited access to common user facilities, which threaten their sustainability

and impact. These challenges hinder Uganda's progress in value addition, industrialization, and the growth of the knowledge economy.

405. **Uganda lacks a proper mechanism for the development and nurturing of talents, which hinders the growth of sports and the culture & creative industry**. Despite the enactment of the Sports Act, Cap.151, and ongoing investments in sports infrastructure for AFCON 2027, challenges persist, such as: limited professional sports managers scouts; and academies; lack of equipment and infrastructure that meet international standards; and few physical education instructors. The culture and creative industry contributes significantly to the economy by providing jobs (386,000), supporting over 12,460 small and medium enterprises, and generating substantial revenue (for example public entertainment events generated over UGX 106 billion) in FY2021/22. However, the potential of the industry is constrained by a number of challenges including a shortage of supportive infrastructure (theatres, cinemas, museums, studios, galleries, etc.), inadequate skills, and weak regulatory frameworks. These issues collectively impede the identification and development of talent at different levels.

406. **Progress has been made in the provision of health facilities, however, the capacity to provide general services is low, affecting overall health outcomes**. The majority (90%) of the population live within a 5km radius of a health facility. This notwithstanding, the functionality of the health facilities is low with only 59% of health facilities ready to provide general services, varying by location at 66% in urban areas, 60% in peri-urban areas, and 55% in rural areas. This is attributed to; low staffing levels (74%) and a shortage of essential medicines and supplies (58%), low emergency preparedness, management, & supervision, and inadequate maintenance of infrastructure, which affects the efficiency of the health system.

407. **Notwithstanding the progress realized over the years, there are challenges along the Water, Sanitation, and Hygiene (WASH) value chain**. Access to safe water stands at 72.8% in urban areas and 67% in rural areas; above the Sub-Saharan average of 57%. However, sanitation access is still a problem, with only 40% in urban areas and 10% in rural areas having safely managed sanitation. Improved hygiene infrastructure and services remain insufficient, with urban areas at 53% and rural areas at 45%. Schools and healthcare facilities struggle, with 75% of schools having basic sanitation and 55% having safe water, while only 5% of healthcare facilities meet basic sanitation standards. The inadequacy of WASH infrastructure and services contributes to a high disease burden, hence the need to enhance investments.

408. **Progress has been made toward gender equality, however, there are challenges, especially in economic participation.** There has been an achievement in gender equality for instance in education at the primary level with the attainment of gender parity at 50%. Women's participation in politics has equally increased to 34% of female representatives in the 11th Parliament from 33.8% in the 10th Parliament. Notwithstanding, women's

participation in employment and decision-making remains low, and access to essential social services, like sexual and reproductive health for adolescents, is limited. Women also face a high burden of Unpaid care work, averaging 6.6 hours per day compared to men at 5 hours per day (Time Use Survey, 2017/18). Uganda's gender gap index has worsened from 0.717 in 2020 to 0.706 in 2024, with the country falling from 63rd to 83rd place out of 146 countries. The gender inequality index has not met the target of 0.502, remaining at 0.701. Persistent gender discrimination includes high rates of child marriage (24%) and female genital mutilation (0.3%), alongside significant physical and sexual violence affecting 48% of women and 40% of men aged 15-49. Additionally, Persons with Disabilities (PWD), who make up 12.5% of the population, ethnic minorities, and other vulnerable groups like youths, children, and persons from hard-to-reach areas continue to face challenges in access to social services such as education, employment, and health services, affecting their overall participation in society and sustainable development.

409. **Uganda has made strides in planning for its human resources; however, this is still in its infancy.** The first National Human Resource Development Plan (2020/21-2024/25) was developed to facilitate the identification and bridging of skills gaps in the country, especially in emerging industries such as oil and gas. Although its implementation has been slow, being the first of its kind, several tertiary institutions have started aligning their academic training programs with the Plan. For example, Makerere University over the past three years has tremendously increased enrolment is Science, Technology, Engineering, and Mathematics (STEM) disciplines while Kyambogo University has phased out 27 diploma programs to streamline with national priorities. Makerere University has phased out several programs and has also developed new ones to align with the current national human resource planning agenda. However, there is a continued disparity between the skills acquired through education and training and the actual demands of the labour market leading to high graduate unemployment, underemployment, and an inadequate supply of qualified professionals in critical fields. Besides, the persistent limited access to quality education at all levels necessitates continuous educational reforms to ensure that the country’s workforce remains competitive domestically, regionally, and internationally. The skills gaps are exacerbated by the limited institutionalization of human resource planning, with a majority of MDAs and LGs lacking human resource plans. This has resulted in a disjointed approach to workforce development, failing to address specific regional and sectoral human resources needs.

410. **Although Uganda has made strides in addressing labor and employment challenges through various programs, serious issues remain.** Despite efforts like Apprenticeship, the Green Jobs Programme and the Graduate Placement Programme, the employment-to-population ratio is low at 47.5%, with a notable gender disparity of 52% for males and 34% for females. Youth unemployment is very high at 16.5%, and 41.1% of youth are not engaged in employment, education, or training (NEETs). Job creation falls short of targets, and contributing factors include skill mismatches, gender discrimination, a sluggish private sector,

and a high level of informal employment excluding agriculture constituting 87.9% of the economy and 91.9% including agriculture and often lacks decent work conditions. Additionally, unemployment rate remains high at 11.9%, and while labor externalization aids revenue generation, it faces challenges like trafficking, poor implementation of regulations and exposure of workers to hazardous and risky conditions.

411. **Notwithstanding progress in food and nutrition outcomes, challenges still exist with poor nutrition outcomes like stunting and micronutrient deficiencies.** There has been improvement in nutrition outcomes particularly for children with stunting (short for their age) in children under 5 years reducing to 26% in 2022 from 29% in 2016, wasting (thin for their height) among children under five reducing to 2.9% in 2022 from 4% in 2016, underweight reducing to 10.2% from 11% in 2016. The prevalence of obesity in women aged 15-49 also reduced to 8.4% from 24%, for men aged 15-54 reduced to 1.5% from 9%, and children under five reduced to 3.4% from 7.5% in 2016. Despite this reduction, the current levels of nutrition outcomes still remain poor with prevalence of deficiencies in micronutrients among certain groups and almost half of children under 5 & about one-third of women childbearing are anemic. Food and nutrition insecurity is driven by composite, interconnected factors including inadequate food intake, high food prices, disease, lack of education, and poor sanitation.

412. **There have been efforts to mobilize communities for development, however, responsiveness is low, which undermines the impact of government development programs**. About 70% of the population were informed about national programmes and 60% of households participated in savings schemes in FY 2022/23, with a notable jump from 15.8% in FY 2021/22. Despite the availability of various government programmes such as PDM, EMYOOGA, Universal Primary Education (UPE), Universal Secondary Education (USE), Uganda Women Empowerment Program (UWEP), Youth Livelihood Programme (YLP), Youth Venture Capital Fund (YVCF), they have not been fully exploited by the targeted population. This is attributed to several challenges such as; civic irresponsibility, limited civic engagement, a culture of dependency, harmful social and cultural norms, poor information and health seeking behavior, limited or uncoordinated information, extremely colonized mindset, and weak community mobilization structures at the grassroot (barazas). Additionally, the implementation of government programs faces hurdles including illiteracy cycles, poor coordination, financing issues, political patronage, and corruption, which complicate the overall development efforts.

413. **Teenage pregnancies, child marriages, and child labour are high, which significantly impact on health, education, and economic outcomes**. In as much as government has intervened through legislation, sensitization and provision of sexual and reproductive health services, teenage pregnancy has remained high at 24% since 2011. Teenage pregnancies are more prevalent in rural areas (25%) compared to urban areas (21%). Child marriage is also a major concern, with 10% of girls married by age 15 and 40% by age 18. Child labour is also

prevalent at 47% of children aged 5-17. These issues contribute to low educational attainment, economic disadvantage, and limited opportunities for affected children. The key drivers of teenage pregnancies, child marriages, and child labour include; poverty, domestic violence, negative cultural practices, weak enforcement of laws, among others.

414. **Progress has been made in building education infrastructure, however, there are gaps and functionality challenges across all levels.** The Pupil Classroom ratio for primary improved to 53:1 in FY2022/23 from 70:1 in FY2015/16. More teaching facilities, workshops and laboratories have been provided to improve teaching for TVET and higher education institutions. However, key infrastructure gaps and challenges persist with institutions below the Basic Requirements and Minimum Standards (BRMS) to achieve functionality. The infrastructure challenges include: limited digital and technological integration, inadequate classroom space, insufficient learning material, lack of proper infrastructure maintenance, and child-friendly hygiene & sanitation facilities. Therefore, addressing these challenges is crucial to improving learning and teaching environments better educational outcomes for all students. Continued targeted investment interventions and effective policy implementation will be essential to bridge the remaining gaps and promote a more equitable and high-quality education outcomes.

415. **High cost of provision and access to health and education services.** There is still increasing cost of providing education and health services due to persistent increase in the cost of inputs, increase in the population, technical and allocative inefficiencies, and private sector dominance amidst weak policy and regulation. As a result, there has been a disproportionate increase in the contribution by parents to education, nearly 47% contribution by households towards funding education in Uganda. The cost of health service provision also remains high notwithstanding that over 75% of Uganda's current disease burden is preventable. Despite a reduction in out-of-pocket expenditure for the total health expenditure (THE) to 29% in FY2020/21 from 41% in 2018/19 FY, out-of-pocket expenditures still remain a major barrier to access to health services with less than 3% coverage of health insurance. Therefore, addressing the high cost to provision and access to health services is crucial to improve human capital development outcomes.

416. **Uganda has made progress in creating policies for social protection, but coverage remains very limited**. Over time, the proportion of poor people in Uganda has drastically dropped to 20.3% (2019/20), in reality 8.3 million people are still trapped in poverty. However, based on the new poverty line of USD1.77 per person per day (equivalent to UGX87,000) the share of Ugandans living in poverty stood at 30.1%, representing 12.3 million poor persons in 2019/20. Nearly 33.8% of the rural population and 19.8% of the urban population are living in poverty. Despite several poverty reduction interventions, progress has been uneven across regions and sub-regions. The Eastern region significantly reduced registered the highest reduction to 13.2% from 35.3%. Despite the significant poverty

reduction in Busoga sub-region, the sub-region's contribution to total national poverty remains high at 14.%. In the Northern region, poverty deepened to 11.3% in 2019/20 from 8.9% in 2016/17 and so is the inequality among the poor persons to 4.9% from 3.4%. Further to note under the same period, income poverty worsened in the sub-regions of Acholi to 67.7% from 35%; and Lango to 23.4% from 15% respectively. The worsening poverty in Lango and Acholi sub-regions raise concerns of the effectiveness of the several livelihood programs implemented by government and non-state actors in these sub-regions.

417. **The Government has put in place a policy framework for social protection; however, coverage and scope are too low.** Government has enacted policies and strategies like the National Social Protection Policy (2015) and the new National Social Protection Strategy (2023-2028), however, only 2.8% of the population benefits from any social protection program, and less than 3% have health insurance. The Social Assistance Grants for Empowerment (SAGE) help around 304,000 elderly people, Public Service Pension Scheme (PSPS) are only 388,853 public servants, the National Social Security Fund currently has 2.4 million savers and 52,948 are on Occupational and Voluntary Individual schemes. However, many employees in private and informal sectors still lack adequate saving schemes. Major challenges include increasing poverty levels with child poverty at 44%, limited social insurance schemes at 5% only, vulnerability to risks and shocks due to climate change, natural disasters, disability and global epidemics; insufficient coverage, fragmented social protection services, poor targeting of social protection efforts, and absence of single registry to monitor social protection programmes.

418. **The programme has made strides in enhancing human resource capacity to support Uganda's development goals, particularly in the education, health, and social protection sectors.** However, there remain significant challenges in meeting the demand for skilled professionals, which is essential for driving improvements in human capital and achieving sustainable development. While progress has been made in training teachers, healthcare professionals, and social workers, critical gaps persist in both the quantity and quality of skilled labor across these sectors. The most pressing shortages are seen in specialized fields such as healthcare, where there is a need for more medical doctors, pharmacists, and public health specialists. These professionals are crucial for improving health outcomes, particularly in underserved and rural areas where healthcare access remains limited. Additionally, there is a growing demand for specialists in emerging areas such as mental health, biomedical sciences, Cardiothoracic Surgery, Advanced Endoscopy and Pediatric Care, and health systems management to address complex health challenges and strengthen Uganda's healthcare system. In the education sector, although there has been an increase in the number of teachers trained, there is a shortfall in the supply of qualified teachers, particularly in science, technology, engineering, and mathematics (STEM) fields. This shortage is exacerbated by the lack of continuous professional development opportunities for educators, which limits their ability to deliver high-quality education. In contrast, there is an oversupply

of general administrative personnel in both the health and education sectors. While administrative roles are important, the imbalance between administrative and technical staff highlights a misalignment between workforce supply and the specialized needs of the Program. Closing these gaps is thus essential for improving the delivery of services especially in the education, health, and social protection sectors. For details, refer to the annex on programme human resource requirements.

419. **To harness the full potential of human capital as a fundamental to exploit development opportunities, this programme focuses on**: strengthening the foundation for human capital; reducing knowledge and skills gaps; strengthening talent development and nurturing; developing and maintaining supportive infrastructure and facilities for the creative industry, sports, health, and education; increasing adoption of preventive health measures; reducing child labor, child marriages, and teenage pregnancies; improving food and nutrition security; increasing access and coverage of WASH; increase coverage of social protection; reduce gender inequality and inequities; community mobilization for increased participation in government programmes and wealth creation initiatives; institutionalization and integration of human resource planning and development; reducing the cost of provision and access to health and education services, and ensuring decent and productive work environment for all.

17.3 Programme Objectives

420. The objectives of this programme are to:

- i) Improve the foundations for human capital development;
- ii) Produce a knowledgeable, skilled, and ethical labour force;
- iii) Improve population health, safety and management; access to safe water, sanitation and hygiene services;
- iv) Reduce vulnerability, gender inequality and inequity along the lifecycle;
- v) Promote sports, recreation, and physical education;
- vi) Promote culture and creative industries;
- vii) Promote decent and productive work environment for all;
- viii) Mobilize communities for increased participation in national development; and
- ix) Strengthen policy, legal, institutional coordination, and regulatory frameworks.

17.4 Programme Results

421. The desired high-level Programme results by the year 2029/30 are:

- i) Increased employment to population Ratio (EPR) from 42.5 in FY2022/23 to 59.8;
- ii) Reduced unemployment rate from 11.9 % in FY2022/23 to 8.1%;
- iii) Increased labour force participation rate from 48% (58% male & 39% female) in FY2022/23 to 80%;

iv) Increased ratio of Science and Technology graduates to Arts graduates from 2:5 in FY2022/23 to 3:5;
v) Increased labour productivity (national output per worker) from X in FY2022/23 to X;
vi) Increased average years of schooling from 6.1 in FY2022/23 to 11;
vii) Increased learning adjusted years of schooling from 4.5 in FY2022/23 to 7;
viii) Reduced prevalence of under 5 stunting from 26% in FY2022/23 to 20%;
ix) Reduced population growth rate from 3 in FY2022/23 to 2.9;
x) Reduced Total Fertility rate (TFR) from 5.2 in FY2024 to 4.5
xi) Reduced under 5 Mortality Rate from 52/1,000 in FY2022/23 to 39/1,000 live births;
xii) Reduced Maternal Mortality Ratio from 189/100,000 in FY2022/23 to 50/100,000;
xiii) Reduced Neonatal Mortality from per 22/1,000 in FY 2022/23 to 12/1,000 Live Births;
xiv) Reduced unmet need for family planning from 24% in FY2022/23 to 20%;
xv) Increased Contraceptive Prevalence Rate from 29.5 in FY2022/23 to 39.6;
xvi) Reduced mortality due to NCDs (TBD) from 21% in FY2022/23 to 19%;
xvii) Reduced proportion of mortality due to high-risk communicable diseases (Malaria, TB & HIV/AIDS) (percent) from 40% in FY2022/23 to 30%;
xviii) Reduce teenage pregnancy rate from 24% in FY2022/23 to 15%;
xix) Increase knowledge of HIV among the youth from 56% in FY2022/23 to 75%;
xx) Reduced HIV incidences (number of new HIV infections per 1,000 population 15 years and above) from 2.4 in FY2022/23 to 0.1;
xxi) Reduced the Gender Development Index (GDI) from 0.89 in FY2022/23 to 0.92;
xxii) Reduced Gender Inequality Index (GII) from 0.527 in FY2022/23 to 0.565;
xxiii) Increased proportion of the population accessing social protection from 5% in FY2022/23 to 7%;
xxiv) Reduced GBV prevalence from 51% in FY2022/23 to 38.5%;
xxv) Reduced Disability prevalence from 5.7% in FY2022 to 4%
xxvi) Increased access to safe water supply from 67% in rural and 72.8 % in urban in FY2022/23 to 84% and 78%, respectively;
xxvii) Increased access to basic sanitation (improved toilet) from 32% in FY2022/23 to 48%;
xxviii) Increased access to improved hygiene from 44.7% in rural and 53% in urban in FY2022/23 to 48% and 59%, respectively;
xxix) Increased universal health care coverage index from 49% in FY2022/23 to 65%;
xxx) Increased percentage of the population covered with health insurance from 3.9% in FY2022/23 to 10%;
xxxi) Improved world sports ranking in niche sports from 92 in football, 5 in Netball, X in Athletics in FY2022/23 to 70, 4, and X, respectively;
xxxii) Increased percentage contribution of culture and creative industries to GDP from 3.1% in FY2022/23 to 5%; and
xxxiii) Increased percentage of the population that uptake and engages in development initiatives from 68% in FY2022/23 to 75%.

17.5 Interventions

422. To achieve the above results, the following interventions (Table 17.2) have been prioritized under this Programme

Table 17.2: Interventions under the HCD Programme and respective actors

Interventions	**Actors**
Objective 1: To improve the foundation of human capital development	
1. Improve access and equity of pre-primary education	MoES, MoGLSD, MoFPED, MoLG, KCCA, LGs, Private Sector, DPs
2. Institutionalize Pre-primary teacher training at public teacher training institutions	MoES, MoGLSD, MoFPED, MoLG, KCCA, LGs, Private Sector, DPs
3. Enforce the regulatory and quality assurance system of ECCE	MGLSD, KCCA, MOES, LGs
4. Improve physical and cognitive development of children below 8 years	MOH, MOES, MGLSD, CSOS, DPs, KCCA, LGs
5. Promote optimal maternal, infant, young child, adolescent and elderly nutrition practices a. Develop and implement cost-effective school feeding programme linked to PDM and the local economy b. Scale up nutrition at all levels c. Promote consumption of fortified foods, especially in schools focusing on beans, sweet potatoes, cooking oil, and maize. d. Promote dietary diversification e. Promote food safety f. Develop the national food fortification policy and law	MoH, MoES, MoGLSD, MTIC, MoFPED, MoLG, MAAIF, Private Sector (e.g., Maama Care Foundation), DPs
6. Increase access to immunization against childhood diseases	MOH, MoGLSD, MOES, EOC
7. Improve adolescent and youth health a. Provide youth-friendly health services b. Establish community adolescent and youth-friendly spaces at sub-county level c. Include youth among the Village Health Teams	MOH, MoGLSD, MOES, EOC, Private Sector, CSOs, KCCA, LGs
8. Strengthen the family unit to reduce domestic violence, child deprivation, abuse and child labour	MoGLSD, MoJCA, MoIA, EOC, MoFPED, LGs, Private Sector, CSOs
9. Equip all lagging schools to meet BRMS a. Infrastructure b. Instruction materials c. Inspection d. Recruitment of human resource	MoES, MoH, MoGLSD, MoFPED, MoLG, MoWE, KCCA, Private Sector, DPs
10. Enhance proficiency in literacy and numeracy through Early Grade Reading (EGR), Early Grade Mathematics (EGM) and remedial learning	MoES, MoLG, NCDC, KCCA, LGs, Private Sector, CSOs
11. Improve the inclusivity in teaching and learning environments	MoES, MoLG, KCCA, LGs, Private Sector, CSOs
12. Strengthen support services (guidance and counselling, child protection, school health, nutrition services) to enable retention and completion at all	MoES, MoLG, KCCA, LGs, Private Sector, CSOs
13. Implement ICT-integrated teaching, learning, and decision-making	MoES, MoICT&NG, MoLG, MoFPED

Interventions	Actors
14. Enforce the regulatory quality assurance and assessment system of primary and secondary schools	OPM, MOH, MoES, MGLSD, MoLG, LGs, NPA, DPs
Objective 2: To produce an appropriate knowledgeable, skilled and ethical labour force (with strong emphasis on science and technology; STEI/STEM in education and TVET);	
1. Institutionalizing Manpower Planning; a. Develop comprehensive National Human Resource Development Plans (HRDP) and integrate Human Resource Planning within the institutional strategic and Local Government Development Plans b. Consolidate and centralize capacity-building initiatives in the public service in line with the HRDP	MGLSD, NPA, MOES, NCDC, MOPS, MOLG, Tertiary Institutions,
2. Provide early exposure of STEM/STEI to children through innovative science projects in primary schools	MoES, MoSTI, MoFPED, MoLG, NCDC
3. Equip TVET trainees and higher education graduates with 21^{st} century knowledge and skills	MoES, State – House, OP, OPM, NCDC, NPA
4. Increase access to TVET training in scarce-skills TVET programmes to reverse the currently inverted skills triangle	MoPS, MOFPED, MOES, NCHE, NCDC
5. Provide the critical physical and virtual science infrastructure in all secondary schools	MoES, MoSTI, Private sector, UMA, HESFEB,
6. Promote industry-driven and Employer led TVET and Higher Education skilling and training; a. Fully functionalize the existing presidential Industrial Zonal Skilling Hubs to skill and equip trained youths with logistics to enable them to start viable enterprises. b. Re-modal public vocational education institutions to operationally mirror the Presidential Industrial Zonal Skilling Hubs designed for skilling. c. Use the PDM information management pillar to register and mobilize youths to enroll in skilling programs. d. Fully roll out the modularized TVET curricula. e. Establish a Presidential Skilling Hub in Karenga district	MOES, State-House, OP, OPM, NCDC, NPA
7. Review curricula to make them competence-based at all levels and implement competence-based curricula at all levels.	MOES, NCDC, NCHE, Training Institutions
8. Support vocational training institutions (schools, institutes and colleges) and industrialists/employers to deliver a dual training system for TVET (i.e., 80% training in the industry and 20% learning in the institution) and universities (i.e., 40% training in the industry and 60% training in institution).	MoES, MoTIC, MoGLSD, NCHE, UMA, PSFU, industry
9. Accelerate acquisition of urgently needed skills in key growth areas a. Develop and implement new education and training programmes tailored to international standards to address the qualification and skills shortages in line with the NDPIV – NHRDP *(Refer to Table 17.3 for details)* b. Operationalize the Skills Development Fund to incentivize the private sector to offer training of their employees in the scarce skills areas c. Align the issuance of work permits in line with the HRDP d. Establish and implement a National Central Admission System for higher education and link higher education admissions and financing to the critical skill needs identified in the plan e. Link allocation of scholarships and loan financing to critical skill needs identified in the plan f. Assess and certify the competencies acquired by trainee beneficiaries during apprenticeship, traineeship, and indenture training.	MoPS, MoES, MoFPED, NCHE, NCDC, MGLSD, MTIC, DIT, UMA, PSFU, MoFA, MoIA, NPA, Tertiary Institutions, HESFEB, Industry

Interventions	Actors
g. Adapt curriculum content and instructional materials to distance teaching and learning	
10. Provide the required physical infrastructure and equip, instructional materials, human resources and quality assurance mechanisms for Higher Education and TVET Institutions, including Special Needs Education (SNE)	MoES, MoFPED, NCHE, Universities
11. Promote STEM/STEI focused strategic alliances between schools, training institutions, high-calibre scientists and industry a. Prioritize STEI/STEM for programme and institutional accreditation; b. Prioritize STEI/STEM admissions and financing at Higher Education Institutions; c. Prioritize investment in STEI/STEM Research and incubation to transform it into goods and services for national growth and societal wellbeing.	MoES, MoSTI, Private sector, UMA, HESFEB, NCHE, HEIs, Universities, Industry
12. Promote national ideology and interest for economic prosperity a. Integrate values, ethics in the education b. Mainstream environment and climate change concerns in the school curriculum c. Foster linkage between curriculum, education/training to the domestic socio-economic	MOICT & NG, MOES, MWE, NCDC
Objective 3: To improve population health, safety and management; access to safe water, sanitation and hygiene services	
1. Increase community ownership, access and utilisation of health promotion, environmental health and community health services including for persons with disabilities.	MOH, MGLSD, MWE, MOES, LGs
2. Reduce the burden of communicable diseases with a focus on high-burden diseases (Malaria, HIV/AIDS, TB, Neglected Tropical Diseases, Hepatitis), epidemic prone diseases emphasizing the Primary Health Care Approach.	MoH, UCI, UHI, MoES, MoGLSD, MoLG, MoW&T, MoPS, Private Sector, CSOs, HDPs, OPM, UAC, Cultural and Religious Institutions
3. Prevent and control Non-Communicable Diseases with specific focus on cancer, diabetes, cardiovascular diseases and trauma. and malnutrition across all age groups a. Establish centres of excellence in provision of oncology, endocrine and genetic disorders, cardiovascular and trauma services at both national and regional levels and foster regional integration	MoH, UCI, UHI, MoES, MoGLSD, MoLG, MoW&T, MoPS, Private Sector, CSOs, HDPs, OPM, UPF, UAC, LGs, Community, Cultural and Religious Institutions
4. Improve the functionality of the health system to deliver quality and affordable preventive, promotive, curative and palliative health care services focusing on a. Ensure adequate human resources for health at all levels, with a special focus on specialized and super-specialized human resources b. Undertake continuous training and capacity building for in-service health workers c. Improve health infrastructure including emergency medical service and referral system; d. Improve the functionality of health centers, targeting Karamoja region e. Expande geographical access f. Avail affordable medicine and health supplies including promoting local production of medicines (including complementary medicine) g. Develop and implement service and service delivery standards targeting lower middle-income standards	MoFPED, MoH, MoLG, MoPS, MoICT&NG, NPA NMS / JMS, Professional Councils, Professional Associations, Medical Bureaus, Private Health Providers, HDP

Interventions	Actors
h. Promote digitization of the health information systems i. Adherence to Client's charter to ethical code of conduct by health workers	
5. Improve maternal, adolescent and child health services at all levels of care. a. Invest in appropriate guidelines, health care package, infrastructure, technologies and human resource capacity for neonatal services at all levels of health care. b. Develop and implement high impact programmes on adolescent health to reduce teenage pregnancies, with a special focus on hot spot districts. c. Increase investment in child and maternal health services at all levels of care.	MoH, UCI, UHI, MoES, MoGLSD, MoLG, MoW&T, MoPS, Private Sector, CSOs, HDPs, OPM, UAC, LGs, Community, Cultural and Religious Institutions
6. Increase access to Sexual and Reproductive Health (SRH) information and services	MoH, MWE, NPA, MoLG, MoGLSD, Private Sector, CSOs, HDPs, Community, Religious leaders, DPs
7. Increase inclusive access to safe water, sanitation and hygiene (WASH) with emphasis on increasing coverage in lagging communities a. Increase investment in water supply and sanitation infrastructure to increase service in underserved communities in urban, rural and refugee settlements. b. Increase rehabilitation and expansion of existing WASH infrastructure. c. Increase investment in WASH infrastructure in key institutions (Health facilities, education, prisons and security etc) d. Invest in effective management and regulation of the entire WASH value chain segments such as water production to point of use, catchment management, containment, emptying, transportation, treatment, safe reuse or disposal. e. Improve integrative WASH Management Information Systems for real time accurate data and monitoring. f. Increase water and sewerage infrastructure in industrial parks. g. Strengthen enforcement of health/WASH related legislation	MWE, OPM, MoH, MoLG, LGs, MoW&T, MoGLSD, MoES, MEMD, MoIA, Medical Bureaus, Private Health Providers, HDP
8. Increase financial risk protection for health with emphasis on implementing the national health insurance scheme and scaling up community-based insurance and health cooperatives	MOH, Parliament, MoFPED
9. Promote health research, innovation and technology uptake including improvement of traditional medicine	MOH, Research & academic Institutions, Health MDAs, MSTI, Private sector
10. Promote physical health activities and behavioural change across all categories of the population f	MoH, MoES, MoGLSD, MoLG, LGs
11. Promote delivery of disability friendly health services including physical accessibility and appropriate equipment	MoH, MoLG, MoW&T, MoGLSD, MoES
12. Strengthen population planning and development along the life cycle approach including civil registration, vital statistics and national population data bank	MFPED, MOH, NPA, UBOS, NIRA, URSB, MoIAs, MoDVA, MoLGs
Objective 4: To promote decent work and productive employment	
1. Strengthen compliance with labour standards and rights	MGLSD, MOPS
2. Develop and implement programmes for job rich growth	MGLSD, MOES MGLSD, MOPS, ALL MDAs, PSFU, Private sector, CSOs, DPs

Interventions	**Actors**
3. Establish a functional Labour Market Information System (LMIS)	MGLSD, UBOS
4. Improving Occupational Safety and Health (OSH) management	MoGLSD, MoH, MoLG, MoW&T, MoGLSD, MoES, MoIA
5. Promote labour productivity research, innovation, and technology uptake	MGLSD, MOPS, PSFU, Private sector, CSOs, DPs
Objective 5: Reduce vulnerability, gender inequality and inequity along the lifecycle	
1. Expand scope and coverage of livelihood enhancement and economic empowerment programmes for Youth, Women, Older Persons and PWDs.	MoGLSD, OPM
2. Promote Women's empowerment, leadership and participation in decision making through investment in entrepreneurship programmes, business centres	
3. Promote gender equality and equity responsive planning and budgeting in all sectors and LGs a) Increase gender data and statistics production, accessibility, and use to inform policies and programming on gender equality and equity responsive planning and budgeting. b) Track and report on the international and regional commitments on inclusive planning and budgeting c) Scale up Gender Based Violence (GBV) prevention and response interventions at all levels d) Enhance protection, respect and redress mechanisms on human rights	MoGLSD, MoFPED, LGs, DPs, CSOs, EOC, NPA
4. Expand the scope and coverage of Social Security along the life cycle. a. Implement Direct Income Support (DIS) interventions for vunerable groups and individuals b. Expand Contributory Social Security to workers in the formal and Informal Sector c. Integrate Shock responsiveness in the delivery of Social Protection d. Strengthen Social Protection Systems across the life cycle	MoGLSD, MoFPED, URBRA, MOPS
5. Provide holistic social care and support services to vulnerable groups a. Strengthen the family and community capacity to care for and support vulnerable individuals b. Provide specialized care to vulnerable individuals and Support for the Poor c. Improve the capacity of the Social Service Workforce to deliver comprehensive care and support services	MoGLSD, MoLG MoFPED, LGs, MOH
Objective 6: To promote sports, recreation, and physical education	
1. Develop and implement a framework for institutionalizing talent identification, development, and professionalization.	MoES, MoGLSD, MoLG, NCS, Sports Clubs
2. Implement accredited sports and physical education as stand-alone curricular subject(s) in schools and for sports coaches, administrators, and technical officials	MoES, NCDC, NCS, MoLG, Universities
3. Establish regional sports-focused schools/sports academies to support early talent identification and development.	MoES, MoFPED, NCS, Sports Clubs
4. Protect and maintain existing sports facilities and construct appropriate and standardized recreation and sports infrastructure for AFCON.	MoES, MoFPED, NCS, Sports Clubs & Associations, FUFA, Private Sector
5. Leverage public private partnerships for funding of sports and recreation programmes	Private sector, MoES, MoFPED, NCS, Sports Clubs
6. Develop and implement professional sports club structures to promote formal sports participation	MoES, MoFPED, NCS, Sports Clubs

Interventions	Actors
Objective 7: To mobilize communities for increased participation in national development	
1. Promote community mobilization, sensitization and awareness creation for demand and uptake of development initiatives. a. Enhance public awareness on the need to promote equal opportunities for inclusive development b. Promotes awareness and laws against negative/harmful, traditional or religious practices and beliefs c. Implement a national strategy against child marriage and teenage pregnancy	MGLSD, MOLG, LGs, MOES, MOH, DPs, CSOs, EOC
2. Build capacities and equip community institutions at central, local government and non-state actors	MGLSD, MOLG, LGs, MOES, MOH, DPs
3. Develop and implement a national civic education and adult literacy programmes with emphasis on roles and responsibilities of families, communities and citizens	MGLSD, MOLG, EOC, LGs, MOES, MOH, DPs
Objective 8: To promote culture and creative industries	
1. Empower culture and creative practitioners with resources, entrepreneurship skills and opportunities using appropriate technologies and innovation for value addition a. Establish dedicated governmnet grants, venture capital and corporate partnerships, and specialized funding programmes to provide financial support to CCIs SMEs to get started, scale up or develop new projects.	MGLSD, MOLG, LGs, UNCC
2. Expand culture and creative infrastructure for production, promotion, distribution, preservation, and marketing of CCI products a. Facilitate CCIs SMEs to access markets both domestic and international through trade missions, exhibitions and e-commerce infrastructure, certification and labelling	MGLSD, MOLG, LGs, UNCC
3. Review, harmonize, develop, and enforce appropriate legal and institutional frameworks for the culture and creative industry	URSB, MGLSD (UNCC)
4. Create network and collaboration platforms to facilitate connection between SMEs, industry leaders, mentors, peers, potential investors and other stakeholders to foster collaboration and partnerships.	MGLSD, MOLG, LGs, UNCC
5. Facilitate registration of CCIs at all levels	MGLSD, MOLG, LGs, UNCC
Objective 9: Strengthen policy, legal, institutional coordination, and regulatory frameworks for Human Capital Development	
1. Develop and review policies, laws, and regulations related to HCD	MOES, MOH, MGLSD, MWE, LGs
2. Capacitate institutions to deliver Human Capital Development Programme	MOES, MOH, MGLSD, MWE, LGs
3. Undertake monitoring, evaluation, and reporting of progress for HCD programme during plan implementation	MOES, MOH, MGLSD, MWE, LGs

Source: Programme Secretariat, 2024

423. In line with intervention 9 of accelerating acquisition of urgently needed skills in key growth areas in Table 17.2, the NDPIV Human Resource Development Plan has identified skills which the HCD Programme will prioritize in the next 5 years. These are as shown in table 17.3 below. In the short and medium term, the Programme will prioritize these critical skills using the scholarship programs and student loan financing to address the human resource gaps. In the long run, the Programme will be required to build systems and incentivize higher

education institutions to provide training skills that are not provided in the country but have the requisite numbers for sustainability.

Table 17.3: Critical skills gaps for which no training is available in the country

NDPIV Programme	Field/Skill Area	Critical skills gaps for which no training is available in the country	Estimated 5-year Gaps	Entry-Level Education
Agro-Industrialization	Agricultural Engineering		538	Bachelor's
	Agricultural Finance Experts		295	Master's
	Irrigation engineers		330	Bachelors
	Quantitative animal breeder		103	Bachelors
	Agricultural Lawyer		970	Bachelor's
	Agricultural Biotechnology Experts		200	Master's
	Agricultural Risk Management Analysts		175	Master's
	Livestock Nutritionists		225	Master's
	Power Grid Maintenance Technicians		125	Diploma
	Process Safety Engineers		290	Master's
	Soil Science		311	Bachelor's
	Veterinary Medicine		400	Bachelor's
Tourism Development	Border Security Analysts		140	Bachelor's
	Tourism Financial Analysts		60	Master's
	Tourism Policy Analysts		150	Master's
	Tourist Service Quality Assessors		60	Master's
	Destination Branding Specialists		75	Bachelor's
	Hospitality Training Specialists		673	Bachelor's
	Tourism Marketing Specialists		300	Master's
Human Capital Development	Chiropractors		652	Master's
	Geriatric Pharmacist		332	Masters
	Geriatric Doctors		240	Masters
	Geriatric Neurologist		150	Masters
	Geriatric Psychiatrist		268	Masters
	Neurosurgeons		109	Master's
	Anesthesiologists		321	Master's
	Advanced Endoscopy		186	Master's
	Optometrists		349	Master's
	Physiotherapists		241	Master's
	Thoracic Surgeons		211	Master's
	Interventional Pulmonologists		145	Master's
	Pulmonologists		354	Master's
	Oncologists (Thoracic/Pulmonary)		121	Master's
	Pulmonary Rehabilitation Specialists		203	Master's
	Allergists/Immunologists		163	Master's
	Critical Care Specialists		361	Master's
	Respiratory Therapists		237	Master's
	Advanced Pediatric Care		350	Master's
	Infectious Disease Specialists		421	Master’s
	Virologists		328	Master’s
	Cardiologists		350	Master's
	Cardiothoracic Surgeons		124	Master’s
	Cardiac Electrophysiologists		105	Master’s
	Pediatric Cardiologists		55	Master’s

NDPIV Programme	Field/Skill Area	Critical skills gaps for which no training is available in the country	Estimated 5-year Gaps	Entry-Level Education
	Cardiac Anesthesiologists		178	Master's
	Interventional Cardiologists		189	Master's
	Cardiovascular Imaging		400	Bachelor's
	Clinical Cardiology		450	Master's
	Metabolic Medicine		350	Master's
	Nephrologist		300	PhD
	Oncologist		650	Master's
	Radiation Therapists		321	Master's
	Oncologic Pathologists		118	Master's
	Pediatric Oncologists		123	Master's
	Hematologists (Hematologic Oncologists)		250	Master's
	Orthodontists		225	Master's
Sustainable Extractives Industry Development	Gold Processing Plant Specialists		100	Master's
	Industrial Process specialists		172	Master's
	Machine Learning Engineers		650	Master's
	Mineral Resource Development Specialists		250	Master's
	Pipeline engineers		278	Master's
	Oil Refinery Safety Engineers		225	Bachelor's
	Refinery technicians		570	Bachelor's
	Oil Well Logging Specialists		175	Bachelor's
	Environmental scientists		600	Master's
	Oilfield Quality Control Specialists		225	Master's
	Petroleum Geologists		700	Master's
	Polymer Scientists		140	Master's
	Process Simulation Analysts		47	Master's
	Product Design Engineers		300	Bachelor's
	Underground Mining Engineers		260	Master's
	Environmental Engineering and Policy Analysts		140	Bachelor's
	Geographical Information Systems (GIS)		390	Bachelor's
	Geotechnical Engineers		155	Master's
Integrated Transport Infrastructure and Services	Hydroelectric Plant Engineers		100	Master's
	Infrastructure Investment Analysts		184	Bachelor's
	Materials Scientists		150	Master's
	Traffic Engineering professionals		109	Master's
	Infrastructure Risk Analysis and Management		195	Bachelor's
	Smart Grid Analysts		155	Bachelor's
	Smart Transportation Systems Engineers		255	Master's
	Aviation Experts		350	Master's
	Transport Economists		105	Master's
Innovation, Technology Development and Transfer	Aerospace and Avionics Engineering		50	Bachelor's
	Cyber and Space Technology		50	Bachelor's
	Mechanical/Mechatronics Engineering		50	Bachelor's
	Telecommunications/Antenna Engineering		50	Bachelor's
	Radar Engineering in Space craft systems		50	Bachelor's

NDPIV Programme	Field/Skill Area	Critical skills gaps for which no training is available in the country	Estimated 5-year Gaps	Entry-Level Education
	Computer Engineering in Aerospace		50	Bachelor's
	Software Engineering in Aerospace		50	Bachelor's
	Industrial and Manufacturing Engineering		50	Bachelor's
	Remote Sensing and Signal Processing		50	Bachelor's
	Data Science and Analytics in Aerospace		50	Bachelor's
	Embedded Systems in Aerospace technology		50	Bachelor's
	Machine Learning and Aerospace Systems		50	Bachelor's
	Aviation Law and Policy		50	Bachelor's
	Space Law, Policy and Governance		50	Bachelor's
	Space mission project Planning, Monitoring and Evaluation		50	Bachelor's
	Aerospace Material Sciences		50	Bachelor's
	Power Systems/Green energy in Aerospace		50	Bachelor's
	Nuclear Physics and Space mission Biosafety		50	Bachelor's
	Battery Systems Engineer		132	Bachelor's
	Automotive Software Engineer		231	Bachelor's
	Automotive Mechanical Engineer		150	Bachelor's
	Automotive Parts Designer		125	Bachelor's
	Automotive Data Analyst		156	Bachelor's
	Charging Infrastructure Technician (Electrical Engineering Technicians)		127	Bachelor's
Digital Transformation	Cloud Computing Engineers		900	Master's
	Cybersecurity Specialists		582	Master's
	AI Systems Engineers		202	Master's
	Blockchain Developers		500	Bachelor's
	Cybersecurity Architects		250	Master's
	Digital Forensics Experts		200	Master's
	Human-Computer Interaction Specialists		250	Master's
	Network Architects		600	Master's
	Software Architects		650	Master's
	Virtual Reality Developers		150	Master's
Sustainable Energy Development	Industrial Process Consultants		172	Master's
	Renewable Energy Engineers		200	Master's
	Nuclear Engineering		1,130	Bachelor's
	Nuclear Reactor Operation		240	Bachelor's
	Nuclear Chemistry		630	Master's
	Nuclear Physics		500	Master's
	Nuclear Geology		570	Master's
	Nuclear Safety and Security		1,720	Master’s
	Nuclear Law		165	Master's
	Radiation Protection		1,960	Bachelor's
	Nuclear Technicians		1,324	Bachelor's
	Nuclear Craftsmen		3,600	Certificate

NDPIV Programme	Field/Skill Area	Critical skills gaps for which no training is available in the country	Estimated 5-year Gaps	Entry-Level Education
	Green Hydrogen Economy		139	Bachelor's

Source: NPA Human Resource Projection Model, 2024

424. The HCD Programme should also incentivize higher education and training institutions to provide the skills needed to fill the human resource gaps in the key growth areas. These are as highlighted in table 17.4 below.

Table 17.4: **Critical skills gaps whose training is available in Uganda but supply is less than the current demand**

NDPIV Programme	Field/Skill Area	Critical skills whose training is available in Uganda but supply is less than the current demand	Estimated Medium Term Gaps	Entry-Level Education
Agro-Industrialisation	Agricultural Machine Operators		1600	Diploma
	Animal Husbandry		4920	Diploma
	Dairy Science specialists		2081	Bachelor's
	Disaster Risk Management		1652	Bachelor's
	Food and Beverage Processing		5280	Diploma
	Food microbiologists		1368	Bachelor's
	Food Science and Technology		3600	Bachelor's
	Food Science Specialists/ Food Scientists		1321	Bachelor's
	Animal Health Specialists		3150	Bachelors
	Veterinary Epidemiologist		1358	Bachelors
	Quality Regulators		475	Diploma
	Bio-Medical Engineering		215	Bachelors
	Laboratory Specialists		1697	Bachelors
	Wildlife medicine Specialists		1212	Bachelors
	Entomologist		727	Bachelors
	Veterinary Doctors		1309	Bachelors
Tourism Development	Event Planning and Management experts		1,360	Diploma
	Hotel Management Specialists		1,930	Diploma
	Adventure Tourism Coordinators		580	Diploma
	Tourism Guides		1,137	Diploma
	Adventure Tourism Planners		800	Bachelor's
	Cultural Experience Facilitators		560	Bachelor's
	Cultural Heritage Management Specialists		800	Bachelor's
	Tourism Development Planners		400	Master's
	Tourism Resource Managers		1,137	Bachelor's
	Travel Safety Analysts		580	Master's
	Travel Safety Coordinators		1,881	Diploma
Human Capital Development	Anesthesiologists		521	Master's
	Orthopedic surgeons		574	Master's
	General surgeons		432	Master's
	Emergency Medicine		561	Master's
	Pediatricians		643	Master's
	Physicians/ Internal Medicine		1590	Master's
	Ear Nose and Throat Surgeons		550	Master's
	Registered Paediatric Nurse		1,091	Diploma
	Registered Public Health Nurse		11,781	Diploma
	Registered Nurse		47,171	Diploma

NDPIV Programme	Field/Skill Area	Critical skills whose training is available in Uganda but supply is less than the current demand	Estimated Medium Term Gaps	Entry-Level Education
	Optometrists		749	Master's
	Clinical Microbiologists		213	Master’s
	Epidemiologists (Infectious Disease Epidemiologists)		304	Master’s
	Pathologists		231	Master’s
	Pharmacologists		332	Master’s
	Immunologists		227	Masters
	Physiotherapists		541	Master's
	General Practitioners		12,211	Bachelor’s
	General Surgery		353	Bachelor’s
	Emergency Medicine		1,266	Master's
	Dental surgeons		1,812	Master's
	Registered Midwife		33,754	Diploma
	Nutritionist		2,987	Bachelor’s
	Obstetrics and Gynecology		649	Bachelor’s
	Clinical Medicine		4,800	Bachelor's
	Early Childhood Education		4,320	Diploma
	Endodontists		3,500	Master's
	Midwifery		6,000	Diploma
	Nutrition and Dietetics		4,200	Diploma
	Occupational Health and Safety		1,137	Diploma
	Occupational Therapy		1,137	Bachelor's
Sustainable Extractives Development	Biochemistry Specialists		1156	PhD
	Bioenergy Specialists		1,050	Bachelor’s
	Biotechnology Specialists		1,360	Bachelor’s/Master’s
	Environmental Policy professionals		740	Master’s
	Petroleum Engineering professionals		543	Bachelor’s
	Geophysicists		680	Bachelor’s
	Drilling technicians		1,268	Diploma/Technical
	Plumbing Labourers		2,940	Lower Secondary
	Renewable Energy Policy		2,500	Master’s
	Renewable Energy Systems		1,137	Bachelor’s
	Renewable Energy Technician		2,920	Diploma
Integrated Transport Infrastructure and Services	Pavement Engineers		540	Bachelor’s
	Transport Engineers		655	Bachelor’s
	Materials Engineers		573	Bachelor’s
	Civil Engineers		630	Master's
	Environmental Engineering experts		1145	Master's
	Mechanical Engineers		2135	Bachelor's
	Water and Sanitation Engineering Technicians		755	Bachelor's
	Automotive and Power Engineering experts		683	Master's
	Civil Engineering Technicians		850	Master's
	Logistics and Supply Chain Managers		1,184	Bachelor's
	Railway Engineering professionals		1,731	Bachelor's
	Environmental Impact Assessment specialists		919	Bachelor's
	Geotechnical Engineers		865	Master's

NDPIV Programme	Field/Skill Area	Critical skills whose training is available in Uganda but supply is less than the current demand	Estimated Medium Term Gaps	Entry-Level Education
	Advanced Roadway Design Engineers		1,105	Bachelor's
	Rail Infrastructure Specialists		1,435	Bachelor's
	Advanced Traffic Management Specialists		774	Master's
	Road Safety Engineers		625	Bachelor's
	Infrastructure Investment Analysts		580	Bachelor's
Innovation, Technology Development and Transfer	Big Data Analysts		450	Master's
	Prototype Engineers		350	Bachelor's
	Data Scientists		700	Master's
	DevOps Engineers		350	Bachelor's
	Digital Data Architects		200	Master's
	IoT (Internet of Things) Experts		450	Master's
	Industry 4.0 Experts		125	Bachelor's
	Robotics Engineers		250	Master's
	Intellectual Property (IP) Managers		155	Bachelor's
	Automotive and Power Engineering experts		183	Bachelor's
	Biomedical Engineering		1,992	Bachelor's
	Automotive Diagnostic Technician		1432	Certificate
	Biopharmaceuticals		400	Bachelor's
Digital Transformation	Digital Marketing		4620	Bachelor's
	ICT and Digital Literacy		4920	Diploma
	Mobile Application Development		4320	Bachelor's
	Network Administration		4920	Bachelor's
	Network Engineering		5400	Bachelor's
	Software Engineering		1152	Bachelor's
Sustainable Energy Development	Electrical Engineering		3554	Bachelor's
	Electrical Technicians		4037	Certificate
	Mechanical Engineering		3240	Bachelor's
	Radiology		900	Bachelor's/Master's
	Renewable Energy Technician		4920	Diploma
	Renewable Resource Management		1800	Bachelor's

Source: NPA Human Resource Projection Model, 2024

17.6 Implementation Reforms

425. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years are:

i) Address conflict of interest in the provision of education and health services by banning all employees in these sectors from operating private schools and health facilities;
ii) Children in the day, primary and secondary schools should attend the nearest schools to their homestead;
iii) Fees charged in public schools should go through the consolidated fund;
iv) Introduce a minimum of one year of compulsory TVET training immediately after A' level before enrolling for further education to be delivered through a compulsory National Service programme framework;

v) In line with the National Human Resource Development Plan the Government issuance of work permits must be based on human resource gaps identified by the plan. In this regard, work permits should be provided in only the areas where the country is facing staffing shortages;

vi) Establish and implement a National Central Admission System for higher education and link higher education admissions and financing to the critical skill needs identified in the Plan;

vii) Link allocation of scholarships and loan financing to critical skill needs identified in the plan; and

viii) Establish international exchange programmes with multinational corporations.

17.7 Programme risk and mitigation

426. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) **Uganda is faced with a youth bulge of 31.2 million people which creates both an opportunity and a challenge.** The greatest risk factor in this circumstance is that only 15% of the Ugandans that enter the labour market are demanded. The incompatibility between the qualifications possessed by graduates/ those seeking employment and the prevailing demand within the labour market worsens the risk of attaining the desired human capital outcomes. Secondly, the skills and training acquired do not match the market demands in the current job market causing high risk in investments made plus low adoption of technology coupled with emerging artificial intelligence with new technology and innovations; and

ii) Increasing vulnerability due to risks and shocks caused by increasing climate changes, pandemics, epidemics, and occupational safety and health risks are a big threat to the attainment of health, education, and productivity outcomes both contributing to mortality and morbidity rates, high cost of health service delivery, destruction of social infrastructure, human resources, and low labour productivity. There is a need to prioritize mitigation, prevention, and management measures for emergencies including refugee influx that impacts on service delivery within the host communities and local governments. In addition, changing climate change contributes to crises e.g. floods, storms, prolonged drought, hunger and poor nutrition outcomes, displacement of people that will require emergency services, disaster risk management, social protection interventions as well as increased communicable and non-communicable diseases leading to high disease burden and high cost of social service delivery.

CHAPTER 18: REGIONAL DEVELOPMENT

18.1 Introduction

427. **Regional development programs are crucial for enhancing the effectiveness of decentralization and minimizing regional imbalances and inequities**. By focusing on region-specific needs and priorities, these programs address disparities in infrastructure, education, healthcare, and economic opportunities. They strengthen local governance by empowering local authorities to develop and implement development plans, bringing services closer to the people, increasing accountability, and overall national cohesion. They foster optimal use of resources by tapping into local potential.

428. **The programme seeks to minimize regional imbalances & inequities and deepen decentralization to support the realization of the results of the Plan.** Minimizing regional imbalances and inequities ensures that all regions have equal access to opportunities and resources. By deepening decentralization, the programme will provide necessary structures and systems for full monetization of the economy through the effective implementation of wealth creation initiatives such as PDM and EMYOOGA. Through PDM, production and productivity will be enhanced and value-addition infrastructure provided. By fostering local economic development, the programme empowers local authorities to generate revenue through broadening the tax base, asset management, and sustainable exploitation of natural endowments. Furthermore, it facilitates more equitable distribution of investments, economic & social infrastructure, and services, particularly in lagging regions.

429. **The programme contributes to the realization of global, regional and national development agenda**. Agenda 2030 (SDG 10 & 1) seeks to reduce inequality within and among countries and end poverty in all its forms. Agenda 2063 (Goal 1) advocates for a high standard of living, quality of life, and well-being for all. The EAC Vision 2050 aims to achieve economic empowerment of citizens to spur growth and fast-track poverty reduction. The Uganda Vision 2040 emphasizes balanced development by ensuring that all regions of the country benefit from the growth of the national economy.

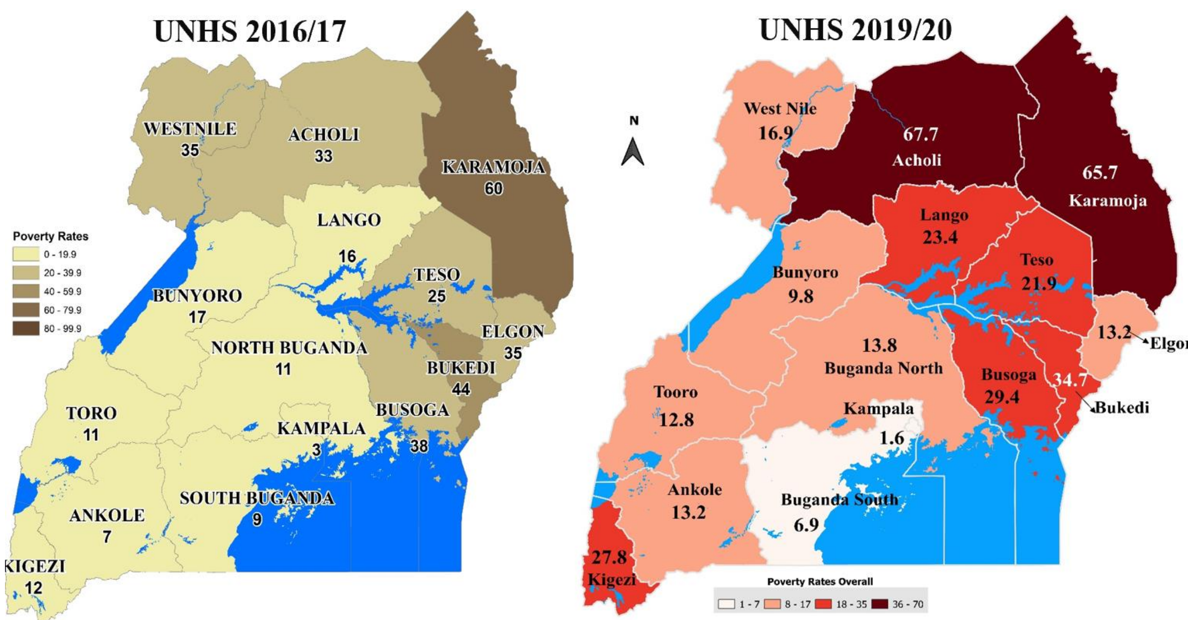
430. **Efforts to minimize regional imbalances & inequalities and deepening decentralization are undermined by**: limited and underdeveloped regional product value chains; limited capacity to generate revenue; inadequate economic and social infrastructure; limited focus on specific regional peculiarities; high influx of refugees; Weak implementation of legal and regulatory framework for decentralized services; and weak legal, institutional, coordination, and regulatory capacity for effective delivery of decentralized services.

431. **The goal of this programme is improved delivery of decentralized services and balanced regional development.**

18.2 Situation Analysis

432. **Commendable progress has been registered in reducing poverty, however, it remains high amidst high vulnerabilities and regional disparities**. Headcount poverty has reduced to 20.3% in FY2019/20 from 21.4 in FY2016/17. Poverty eradication efforts have yielded mixed results across regions. Poverty levels in Bugisu, West Nile, Busoga, Bukedi, and Teso have reduced while Kigezi, Lango, Acholi, and Karamoja have registered increases in poverty. Even in areas where poverty is reduced such as Busoga, Bukedi, and Teso, it remains above the national average. Vulnerability is high in all regions evidenced by the inconsistent patterns in the poverty rates. Regions such as Lango, Acholi, and Karamoja experienced a decline in poverty rates in 2016/17, but it increased in FY2019/20. Figure 20.1 illustrates regional patterns in the poverty rates. The regional imbalances are underpinned by several factors as detailed below.

Figure 18.1: Poverty Maps Indicating Poverty Status between FY2016/17 and FY2019/20



Source: Uganda Bureau of Statistics

433. **Regional imbalances are affected by initiatives having a "*one size fits all*" approach with a limited focus on specific regional peculiarities.** Regions such as Acholi, Karamoja, and Bukedi are lagging due to civil conflicts, insecurity, historical injustices, and infrastructural gaps in social services such as education and health. Although the Government has implemented several affirmative initiatives such as Northern Uganda Social Action Fund

(NUSAF), PDM, Uganda Primary Education (UPE), and Universal Secondary Education (USE) to close the imbalance, these are implemented regardless of regional peculiarities that tend to impede their effectiveness. This is attributed to the lack of specific regional development plans that should inform the design of these initiatives. Out of the 8 targeted regions, only Karamoja Region Development Plan has been developed. The absence of regional development plans poses significant challenges to balanced economic growth, service delivery, and equitable resource distribution.

434. **Agroecological zones have been established to maximize agricultural productivity, however, these have not been effectively leveraged thereby undermining the development of specific value chains.** The country has been zoned into 14 agro-ecological zones based on the unique soil properties and climatic conditions, however, interventions are not focused on the value chain development of the specific commodities within the zones. For example: (i) Teso was zoned for beef cattle, cassava and poultry; (ii) Acholi was zoned for cassava, poultry, vegetable oil, horticulture and maize; and (iii) Karamoja for beef cattle, vegetable oil, horticulture and sunflower. The interventions have been spread across several other commodities, limiting the optimal exploitation of the selected value chains. The failure to adhere to the agroecological zoning constrains the potential of PDM to enhance production and productivity.

435. **Local revenue collections have increased as a result of improved tax administration, however, this is low due to a narrow tax base and widespread tax evasion.** Total local revenue collections increased to Shs. 287.1 billion in FY2023/24 from Shs. 247.2 billion in FY 2018/19. This performance is largely attributed to an increase in collections from local service taxes and property rates, and the improvement in revenue administration through the automation of processes (e-LogRev, IRAS). However, less than 5% of local government budgets are funded by locally generated revenue. The dismal performance is partly attributed to corruption, inadequate enforcement mechanisms, and a lack of accurate data on taxable properties and businesses.

436. **There has been an increase in the stock of economic and social infrastructure, however, these are not adequately guided by physical development plans.** The stock of community access roads increased by 731km between FY2020/21 and FY2023/24. In addition, 15 new markets were constructed over the same period, out of which three in Arua, Soroti, and Busia have value addition facilities. These need to be fully operationalized and optimally used. Further, 99.5km of urban roads were constructed in the new cities and 12 municipalities between FY2019/20 and FY2023/24 under the USMID project. However, operationalization and maintenance are challenges. In addition, these investments and others such as industrial parks, transport hubs, and real estate development are not guided by the physical development plans. Only 2 regional physical development plans i.e., Albertine Graben Physical Development Plan and Northern Uganda Economic Corridor Physical Development Plan

have been developed, which can only be actualized through the development of district and local-level physical development plans. In particular, only seven out of 135 districts, three out of 11 cities, 14 out of 31 municipalities, and 45 out of 580 town councils have physical development plans.

437. **The number of refugees is high, increasing pressure on resources amidst dwindling external support.** Refugees in Uganda have equal access to public services including healthcare, education, water and sanitation facilities alongside Ugandan citizens. The refugee population increased from 1.35 million to 1.55 million between 2017 and 2023. Nearly 92% of these refugees live in settlements alongside host communities in some of the poorest and most underdeveloped districts in Uganda. According to UBOS (2023) and UNHCR (2023), districts like Yumbe, with approximately 191,309 refugees; Terego and Madi Okollo, with around 217,657; and Adjumani, with about 210,741; alongside 583,691, 289,577 and 29,256 host communities, respectively, are particularly affected, experiencing severe strain on their resources due to high refugee populations. Environmentally, this large refugee population has contributed to deforestation at a rate of about 92,000 hectares per year and soil degradation, as refugees rely heavily on local wood for cooking and construction. In addition, the reduction in external financial aid, which has decreased by approximately 30% in recent years, further exacerbates the strain on local capacities. Consequently, the capacity of Uganda's refugee response to adequately meet the needs of refugees and host communities has been severely affected.

438. **There is greater citizen participation in governance and decision-making, which has led to improvements in service delivery in areas such as water, education, and health, however, local governments face numerous challenges.** These include: inadequate financing, staffing, facilities, corruption, mismanagement of resources, and low citizens' awareness of their rights and obligations. These have incapacitated the local governments to implement sustainable development projects and effectively respond to emerging community needs as envisioned in the decentralization policy framework.

439. **There has been an increase in the number of people's representatives in local councils, however, the majority lack leadership skills for socioeconomic transformation.** Local leaders have a limited understanding of 'Complex Public Service Reforms', and appreciate the decentralization laws and regulations differently. These have affected the smooth implementation of the legal and regulatory framework for decentralization, and weakened accountability mechanisms for holding local leaders responsible for their actions as a result.

440. **The Regional Development Programme's human resource projections address critical gaps needed to reduce regional disparities and enhance local governance and economic development.** These estimates stem from the program's strategic context, which focuses on addressing regional inequalities, improving local governance, and creating economic

opportunities in various regions. The human resource projections model incorporates regional-specific labour market needs, the required infrastructure development, and service delivery improvements to boost economic resilience and local revenue. The occupation sgaps presented are essential for supporting decentralization, building institutional capacity, and addressing the unique challenges faced by different regions. Over the next five years (FY 2025/26 - 2029/30), these projections will guide efforts to match workforce needs with development objectives, highlighting the educational qualifications required to fill these roles. For details refer to the annex on programme human resource requirements.

441. **The Program has made progress in building human resource capacity to support the delivery of decentralized services and promote balanced regional development across the country, but significant challenges remain.** Training institutions such as universities, technical and vocational education training (TVET) centers, and local institutes have contributed to training professionals in fields like planning, infrastructure development, agricultural extension, and public administration. These efforts have enhanced local capacity to manage and implement regional development initiatives. However, there are still substantial gaps in the availability of skilled professionals required to fully meet the program's objectives. The most critical shortages exist in technical fields essential for decentralized service delivery, including Geospatial Information Systems (GIS) professionals, civil engineering, regional and urban planning, environmental management, and public health. These skills are vital for building and maintaining infrastructure, managing natural resources, and delivering essential services like healthcare and education at the regional level. Furthermore, there is a pressing need for professionals with expertise in local economic development, project management, and financial planning to support sustainable regional growth. In contrast, there is an oversupply of labor in fields such as general administration, low-skilled ICT support, and clerical roles. While these positions are important for the functioning of local governments, the oversupply highlights a misalignment between the current workforce and the specialized skills required for effective regional development. This imbalance creates inefficiencies in implementing region-specific projects, limit effective delivery of decentralized services and the implementation of projects that promote balanced regional growth. Closing these gaps is thus essential for improving the delivery of decentralized services and achieving balanced regional development across Uganda. For details, refer to the annex of the programme human resource requirements. For details, refer to the annex on programme human resource requirements.

442. **To minimize regional imbalances and inequalities as well as deepen decentralization, the programme will focus on:** enhancing the capacity of Local Governments to deliver decentralized services; supporting the LED; enhancing the capacity to generate local revenue; effectively integrating refugee response; fostering affirmative action; and enhancing legal, institutional, coordination, and regulatory capacity for effective delivery of decentralized services.

18.3 Programme Objectives

443. The objectives of this programme are to:

i) Enhance and sustain local economic development;
ii) Enhance local revenue generation;
iii) Strengthen affirmative action in lagging regions and refugee-hosting communities; and
iv) Strengthen policy, legal, institutional coordination, and regulatory frameworks.

18.4 Programme Results

444. The Programme thus aims to achieve the following key results by the end of FY2029/30:

i) Increased local revenue from Shs. 287.1 billion in FY2023/24 to Shs.805.1 billion;
ii) Increased proportion of the national budget to Local Government from 15.2% in FY2023/24 to 17.9%;
iii) Reduced Sub-regional income poverty disparity from an average of 27% in FY2023/24 to 24%;
iv) Increased community satisfaction in local governance service delivery from 79% in FY2023/24 to 85%;
v) Job growth through LED from 424,125 in FY2023/24 to 594,192;
vi) Increased proportion of households in the money economy from 61% in FY2023/24 to 81%; and
vii) Increased programme performance from 18% in FY2023/24 to 60%.

18.5 Interventions

445. To achieve the above results, the following interventions (Table 18.1) have been prioritized under this Programme.

Table 18.1: Programme interventions and actors

Interventions	Key Actors
Objective 1: Enhance and sustain local economic development	
1. Implement the National LED Strategy a. Develop and implement LG LED initiatives b. Develop and implement viable private-public partnership projects for LGs c. Develop and implement regional LED strategies.	MoLG, MoTIC
2. Integrate Physical Planning with LED a. Develop integrated Physical Development Plans in 5 Regions, 25 Districts and 50 Town Councils/Sub-counties.	NPA, MoLHUD, MOLGs, LGs
3. Increase uptake of ICT and Digital Entrepreneurship Skills a. Design and implement ICT training, digital financial literacy and skills development programs. b. Provide Business Development Services to local enterprises.	MoICT, MoLG, LGs, Enterprise Uganda
4. Link enterprises to local, regional and international markets	MOLG, MoTIC, LGs

a. Functionalize and optimise existing Agricultural Production, Storage and Processing Facilities b. Construct and rehabilitate 4,378 km of Community Access Roads; and, c. Construct and rehabilitate 65 local markets. d. Link APFs to Wealth Creation Initiatives	
5. Strengthen the implementation of PDM and EMYOOGA a. Roll out the simplified parish planning guidelines b. Undertake Parish-to-Parish monitoring and supervision c. Support coordination at the Central and Local Government Level	MoLG, MoTIC, LGs
Objective 2: Enhance Local revenue generation	
1. Implementation of Local Government Revenue Mobilisation Strategy a. Diversify local government sources of revenue b. Undertake community tax education and campaigns c. Develop LG revenue enhancement plans d. Automate LG Tax Systems e. Develop a 5-year LG Own Source Revenue Strategy for FY 2028/29 - FY 2032/33.	MoLG, LGFC
2. Strengthen the implementation of the legal frameworks for Local Government funding a. Evaluate the implementation of the legal provision on discretionary funding b. Advocate for more discretionary funding	MoLG, LGFC
Objective 3: Strengthen affirmative action in lagging regions and refugee-hosting communities	
1. Implement Social Economic Programs to address sub-regional specific needs, Local Potential and Opportunities a. Develop and implement integrated regional development plans- Acholi, Bukedi, Busoga, Teso and Kigezi regions	OPM, NPA, MoLG
2. Implement the Refugee Response Plans- Education, Water and Environment, Health and Sanitation, Energy, Jobs and Livelihood	OPM, MoLG, LGs
Objective 4: Strengthen policy, legal, institutional coordination, and regulatory frameworks	
1. Generate and use statistical data to inform Planning in LGs	MOLG, LGs, UBOS
2. Strengthen the functionality of local government structures a. Train and facilitate local government leaders b. Facilitate statutory bodies in local governments (Land Boards, LGPAC)	
3. Strengthen Human Resource function in Local Governments a. Improve performance management in Local Governments	MOLG, LGs
4. Coordinate policy, planning, implementation and reporting a. Coordinate service delivery in LGs b. Review the Decentralisation Policy Framework c. Coordinate the implementation of the RDP Programme	MOLG, LGs

Source: Programme secretariat, 2024

18.6 Implementation reforms

446. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years are:

i) Redesign the Parish as a strategic unit for socioeconomic transformation and development;
ii) Review the allocation formula for the Parish Revolving Fund across parishes;
iii) Define the revenue sharing between the Central and Local Governments;

iv) Repurpose urban governance and management to enhance integrated development planning with special functions and features; and
v) Transfer the LG performance assessment to the Ministry of Local Governments.

18.7 Programme risk and mitigation

447. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) **Refugee influx into the country that leads to increased demand for services.** The risk of a refugee influx is driven by ongoing conflicts in the Great Lakes Region, which has historically led to mass migrations into Uganda. The likelihood of this risk occurring is high due to the region's instability. If realized, this could lead to significant pressure on service facilities and environmental resources, particularly in refugee-hosting districts (RHDs). The potential impact is substantial, overwhelming local infrastructures such as schools, hospitals, and sanitation facilities. To mitigate this risk, it is essential to develop and implement a district-level contingency plan specifically for refugee response. This plan would ensure that services can be scaled up efficiently to meet the increased demand;
ii) **Creation of new Administrative Units.** The creation/demand for new administrative units due to imbalanced service delivery, corruption, and political patronage poses a strategic risk in resource planning, allocation, and implementation. Though the likelihood of this happening is low, it can lead to increased public administration costs and diverting resources from essential services to cover bureaucratic expenses. The impact of this risk is high, as it undermines the quality of public service delivery. A key mitigation strategy is to base the creation of new administrative units on data-driven decisions. This would ensure that new units are established only where necessary and can be efficiently managed;
iii) **High turnover of Local Government staff.** Local governments face the risk of high staff turnover, largely due to poor leadership, lack of motivation, and underfunding of decentralized services. The likelihood of this risk materializing is low, but its impact could be substantial, resulting in poor service delivery and diminished performance of local governments. To mitigate this, a review of staff salaries is necessary, coupled with increased funding to local governments. This would help to improve staff retention and ensure the smooth delivery of services;
iv) **Failure to generate projected local revenues.** A significant risk to regional development is the failure to meet local revenue projections. This risk is largely caused by high levels of business informality and widespread income poverty, both of which limit the tax base. The likelihood of this risk is high, and its impact is severe, as it results in the non-prioritization of local development needs and priorities. Mitigating this risk requires efforts to attract and retain investments in the localities. Creating a more

formalized business environment and enhancing local economic activities would help increase revenue collection;

v) **Failure to mainstream climate change initiatives into Local Government planning.** Local governments risk failing to integrate climate change considerations into their planning, budgeting, and execution processes. This is due to a limited understanding of the impacts of climate change on local services. The likelihood of this risk occurring is high, and it could lead to migration, conflicts and strain on resources as communities are forced to move due to environmental degradation. To mitigate this risk, local governments need to incorporate climate change adaptation and mitigation strategies into their programs. Capacity-building efforts to increase awareness and technical know-how on climate resilience are essential; and

vi) **Failure to transition households from subsistence to the money economy.** The failure to transition households from subsistence agriculture to the formal money economy remains a critical risk. This is often due to the diversion and misuse of wealth-creation funds by recipients. The likelihood of this risk is high, and its impact is significant, perpetuating poverty and vulnerability among rural households. To address this, efforts must focus on providing mindset change education and helping communities understand the long-term benefits of engaging in the money economy. Additionally, strict monitoring and accountability measures should be enforced to prevent the misuse of wealth-creation resources.

CHAPTER 19: PUBLIC SECTOR TRANSFORMATION PROGRAMME

19.1 Introduction

448. **An efficient public sector delivers high-quality public goods and services which creates an enabling environment for businesses to thrive and enhances the quality of life**. By providing robust infrastructure, such as reliable transportation networks and stable utilities, the public sector reduces operational costs and enhances logistical efficiency for businesses. Effective regulation and transparent governance create a fair and predictable business climate, fostering confidence and encouraging investment. Additionally, the public sector's role in delivering social services such as education and healthcare, not only improves workforce skills and productivity but also enhances the overall well-being of citizens. By addressing these foundational needs, the public sector ensures that businesses can operate smoothly, innovate, and grow, ultimately contributing to a dynamic and prosperous economy.

449. **The public sector transformation is pivotal in ensuring efficiency and responsiveness in service delivery which is essential for the realization of the priorities of this Plan**. By enhancing efficiency, transparency, and accountability within public institutions, the government can create a more conducive environment for investment and innovation thereby supporting value addition and industrialization. Efficiency gains resulting from rationalization of entities, and adoption of e-governance services will free up additional resources for investments in key growth areas. Further, deepening decentralization will support the full operationalization of wealth creation initiatives such as PDM and EMYOOGA, enhancing Local Economic Development (LED). Development and enforcement of service and service delivery standards will improve the quality, quantity, costing, transparency, and timeliness of public services.

450. **The programme contributes to the realization of global, regional and national development agenda**. Specifically, SDG 16, emphasized the need for effective, accountable and inclusive institutions. Africa Agenda 2063, aspiration 3, envisions good governance, democracy, and respect for human rights underpinned by capable institutions and transformative leadership. Similarly, the EAC Vision 2050 highlights the importance of good governance and strong institutions as being fundamental to achieving economic growth, social development, and regional integration. Together, these frameworks underscore the critical role of a robust public sector in fostering institutional capacity, ensuring effective governance, and driving sustainable development. The programmes also support the achievement of the Uganda Vision 2040 which aims to institute measures to strengthen public sector management and administration by ensuring that public officials are fully responsible and accountable to all the resources under their control.

451. **The potential of the public sector to ensure efficiency and responsiveness in service delivery is hindered by:** weak performance management systems; high level of corruption

and abuse of office; limited optimization of financial and non-financial resources; weak enforcement of accountability systems and undue focus on processes rather than results; streamlined and bureaucratic service delivery processes/system/procedures; limited automation of service delivery processes; inconsistent implementation of decentralization policy; poor talent management; and weak legal, policy, institutional, and regulatory framework.

452. **The goal of this programme is a public sector that is efficient and responsive to the needs of the public**.

19.2 Situation Analysis

453. **There has been improvement in performance management in the public sector, however, weaknesses in meeting performance targets persist.** The Government has established systems to improve performance management in the public sector such as performance appraisals and signing of performance agreements for senior managers, rewards and sanctions to manage retention and exit for non-performance in public service. However, weak performance and operations management systems remain a concern across government where individuals and institutions are not adequately held accountable for results. This is aggravated by a weak supervision regime and low levels of transformative leadership skills. Compliance with performance appraisals in votes remained very low with only 35% of MDAs and LGs compliant. In addition, the achievement of NDPIII targets was estimated at 29% in FY2023/24.

454. **There have been efforts to combat corruption and abuse of power in the public domain, however, these problems persist.** Compliance with accountability rules has improved as a result of strengthening the public procurement regulatory framework and extensive auditing by the Office of the Auditor General (OAG) and the Office of Internal Auditor General (OIAG). These efforts identified financial statement errors worth Shs. 11.3 trillion and prevented financial losses of Shs. 197 billion in the FY2022/23. More efforts such as enhancement of the capacity of the Inspectorate General of Government, establishment of specialized anticorruption units, and public finance management reforms have been undertaken to reduce corruption. However, incidents of corruption have been reported, with 15-30% of contract values lost to corrupt practices. In addition, there are high rates of absenteeism in the public sector especially in the health and education sectors. Approximately 1 out of every 2 health workers is absent on any given day in a health care facility. On average, 1.9 hours out of 7 hours of classroom time is lost due to absenteeism per day.

455. **Optimization of public sector resources is hampered by unstreamlined and bureaucratic service delivery systems, limited flexibility in career progression and overlapping mandates.** The effort by the Government to remove overlapping mandates and functional duplications, through the ongoing Rationalization of Government Agencies and Public

Expenditure (RAPEX) and the period restructuring of Government institutions are part of the initiative to address these structural ambiguities. Although 60 agencies have been rationalized through mergers, mainstreaming and transfer of functions by June 2024, conflicting responsibilities within MDAs persist, leading to inefficiencies and wasteful public expenditure. These inefficiencies strain the budget, as resources are spread thinly across redundant and similar initiatives, instead of being focused on priority areas. In addition, the dysfunctional service delivery systems contribute to bureaucratic red tape, making it difficult for citizens and businesses to timely access public services. This will require a follow-up effort to undertake functional and workload analysis of all Government Ministries, Agencies, Offices and Local Governments; with a view to streamlining their functionality, harmonizing their structures and simplifying the service delivery systems through the systems review and re-engineering.

456. **Accountability systems and institutions have been strengthened, however, accountability for results is low.** Accountability Systems such as the implementation of client charters and feedback mechanisms to empower clients to demand services from the public service, and implementing rewards and Sanctions framework in the Public Service to hold people accountable for actions and inactions and performance contracts for permanent secretaries implemented. However, accountability systems across the public sector still exhibit weaknesses. Performance contracts for all accounting officers have not been effectively administered and enforced across the public service. The implementation of the client charters and feedback mechanisms remains very low at 40.9%. This has weakened public service accountability for results and has built a less-than-satisfactory work ethic in public service.

457. **Efforts have been made towards the achievement of e-government, however, automation of service delivery processes is limited**. About 62% of government services are provided online, making them more accessible and reducing the need for physical visits to government offices. However, the pace of automation within the public sector is inadequate, hampering the efficiency and effectiveness of public services.

458. **Government recruits good talent, but faces challenges in managing, retaining, and ensuring its effective performance.** There have been improvements in aligning employees' competencies with their roles, with 98% of public officers qualified with their respective job roles. The introduction of performance-based contracts and the establishment of key performance indicators (KPIs) has improved individual accountability and focus on results. However, the reward and sanctions mechanisms are weak, there is low staff motivation, inadequate talent retention, and weak performance and operations management. Inadequate training and development opportunities for staff limit their ability to meet performance expectations and career growth against the numerous operations management challenges.

459. **Uganda has implemented decentralization since 1993, however, the recentralization of some functions has undermined the spirit of decentralization**. Decentralization aimed to bring services closer to the people and address local and regional peculiarities. The Local Governments Act Cap.151 further empowered local governments by devolving political, administrative, and fiscal authority. Local participation has been increased through elected councils at various levels, allowing communities a direct say in decision-making. Fiscal decentralization involved allocating funds to local governments, with a focus on generating own-source revenues such as local taxes and fees, to reduce reliance on central government transfers and promote financial autonomy. However, challenges persist, including limited local revenue generation, capacity constraints, and overreliance on central government funding.

460. **There have been advancements in decentralization, however, the implementation of decentralization policy remains inconsistent.** Implementation of the policy has brought services closer to the people and enhanced local participation in decision-making. Despite the intent to devolve powers and responsibilities to local governments, several functions have been recentralized, limiting the autonomy and effectiveness of local authorities. The proliferation of administrative structures has increased the administration costs of government. Many local governments face challenges in mobilizing local resources which limits their capacity to deliver decentralized services effectively. Capacity gaps and uneven implementation of local government policies have led to disparities in service quality across regions.

461. **The public sector has an elaborate policy, legal, institutional, and regulatory framework, however, weaknesses persist**. Several policies, laws, regulations and guidelines have been developed to streamline the performance of the public sector. However, this is hindered by policy gaps, overlaps in mandates and weak enforcement. For instance, the Anti-Corruption Act Cap.116 and other accountability measures exist, but enforcement remains weak, contributing to Uganda's low ranking of 142 out of 180 countries on the 2023 Corruption Perceptions Index. In addition, the public sector is constrained by outdated laws, such as the Public Service Act Cap.91, which does not align with modern governance needs. Further local governments struggle with inadequate legal frameworks to effectively manage their resources and services, leaving them dependent on the central government for funding. Regarding recruitment, cases of political interference undermine merit-based appointments, despite policies promoting transparency. For instance, the District Service Commissions often yield to the pressures of local politicians leading to the appointment of undeserving staff.

462. **The Programme has made significant strides in building human resource capacity within public institutions; however, notable gaps and imbalances remain.** There has been commendable progress in recruiting and training public servants, enhancing the skills, and competencies required for efficient governance, however, several challenges persist. Various

initiatives, including specialized training programs focused on leadership development and service delivery enhancement, have been implemented. Partnerships with academic institutions have also played a key role in equipping public sector employees with essential skills, fostering a culture of continuous improvement. Training institutions such as the Uganda Management Institute (UMI), the National Leadership Institute (NALI), located in Kyankwanzi and the Civil Service College Uganda have been instrumental, offering programs in leadership, public administration, and policy implementation. Over the past five years, these institutions have trained thousands of civil servants, equipping them with the skills needed for improved public service delivery. However, despite these efforts, the Programme faces acute shortages in critical areas such as data analytics, digital governance, and public financial management skills which are critical in driving the transformation agenda. Additionally, there are moderate shortages in human resource management, project management, and legal expertise, which limit the capacity of public institutions to implement reforms effectively. A lack of expertise in change management and innovation also hinders the sustainable progress of public sector transformation. At the same time, certain areas are experiencing an excess supply of human resources, particularly in general administrative roles and support staff positions. This oversupply has led to inefficiencies, as many of these professionals are underutilized, while there is a pressing need for more specialized skills. Addressing this imbalance through reskilling and redeployment initiatives will be crucial in optimizing the available workforce. To close these gaps, there is a need to reskill the excess staff to fill critical shortages and expand leadership training initiatives to foster a culture of accountability and transparency within public institutions. For details, refer to the annex of the programme human resource requirements.

463. **To ensure that the public sector is efficient and responsive to the needs of the public, this programme focuses on:** strengthening accountability mechanisms; strengthening human resource management in the public sector; enhancing the adoption and usage of e-government services; streamlining government structures and institutions for efficient and effective service delivery; deepening decentralization and local economic development; and strengthening policy, legal, institution, and co-ordinational framework.

19.3 Programme objective

464. The objectives of this programme are to:

i) Strengthen accountability for results across government;
ii) Streamline government structures and institutions for efficient and effective service delivery;
iii) Strengthen human resource management for improved service delivery;
iv) Deepen decentralization and citizen participation in Local Development;
v) Re-engineer the public service delivery business processes; and
vi) Strengthen policy, legal, coordination, and institutional framework in the public sector.

19.4 Programme results

465. The Programme thus aims to achieve the following key results by the end of FY2029/30:

i) Increased transparency and accountability in the provision of public services from 70% to 90%;
ii) Improved staffing levels for MDAs and Local Governments from 55% in FY2023/24 to 85%;
iii) Improved fiscal sustainability of Local Governments from an average of 34% in FY2023/24 to 50%;
iv) Increased access to public services from 50% in FY2023/24 to 80%; and
v) Increased programme performance from 25% in FY2023/24 to 70%.

19.5 Interventions

466. To achieve the above results, the following interventions (Table 19.1) have been prioritized under this Programme.

Table 19.1: Interventions under the Public Sector Transformation Programme and respective actors

Intervention	Actors
Objective 1: Strengthen accountability for results across government	
1. Enforce compliance to policies, laws, regulations, guidelines, and processes a. Investigate and resolve Ombudsman complaints in public offices b. Conduct system reviews/investigations/studies in high-risk Government entities c. Coordinate and engage leaders and public officials to declare their wealth	IG, MoPS, KCCA, PSC, MoLG
2. Strengthen the efficiency of District/City Service Commissions (D/CSCs) a. Fully constitute D/CSC b. Monitor D/CSCs in the implementation of their mandate c. Timely conclusion of appeals from D/CSCs and MDAs d. Monitor the implementation of LG structures e. Support the recruitment process in LGs	PSC, MoLG
3. Strengthen public sector performance management initiatives a. Build capacity of Programmes to develop Programme Score card b. Build capacity of MDAs, HLGs and LLGs to implement and cascade the Balance Score Card (BSC) performance management tool c. Monitor implementation of the BSC in all the MDAs, LGs, Institutions and NDPIV programs d. Monitor and provide technical support to MDAs, LGs and Institutions on attendance to duty e. Conduct orientation/ induction of Rewards and Sanctions Committees and Senior Managers in MDAs, LGs and Institutions f. Administer performance contracts for City Political Leaders	MoPS, MoLG, KCCA
4. Strengthen implementation of service delivery standards and feedback mechanisms	MoPS, NPA, MoLG, NBS

Intervention	Actors
a. Enforce implementation of services and service delivery standards as well as client charters	
Objective 2: Streamline government structures for efficient and effective service delivery	
1. Undertake Structural reviews of MDAs and LGs a. Review and customize structures of LGs for implementation b. Provide technical support on the implementation of structures for MDAs, LGs and Cities c. Operationalize the implementation guidelines on the creation and abolition of structures in the public service d. Monitor and evaluate the implementation of approved structures in MDAs, LGs and Cities e. Undertake rationalization of the entire public sector f. Develop and implement the scheme of service for the public servants a. Strengthen Public service reforms a. Conduct stakeholder engagement and data collection b. Develop and implement a public service transformation framework	MoPS, PSC
2. Leverage existing POSTA infrastructure to develop a one stop centre for government service delivery	MoPS, PSC, POSTA Uganda
Objective 3: Strengthen human resource management for improved service delivery	
1. Strengthen recruitment in MDAs and LGs a. Enforce recruitment and selection procedures b. Digitize recruitment processes across government c. Review and update the PSC Regulations and DSC guidelines 2. Undertake nurturing of the civil service a. Centralize and harmonize capacity building of the public service through flexible delivery mechanisms b. Train and equip public officers in mainstreaming cross-cutting issues including gender, equity, climate change, HIV, TB, and nutrition c. Maintain an e-learning platform and systems at the Civil Service College including the Learning Management System d. Develop and implement a national public service capacity-building plan 3. Strengthen human resource management in government a. Undertake a skill needs assessment for the public service to develop a public service skills inventory b. Develop, implement, and monitor a human resources plan for the public service c. Build the capacity of HR Managers on Succession Planning. d. Implement HR Policies in Government Institutions e. Enhance the functionality of the HCM System across Government 4. Implement pay reform across the public service a. Operationalize the National Emoluments Review Board b. Conduct payroll reviews for the entire service 5. Develop and implement pension reforms a. Operationalize the public service pension reform b. Provide technical support on decentralized management of pension and gratuity	MoPS, PSC, MoLG, KCCA, NPA
Objective 4: Deepen Decentralization and Citizen Participation in Local Development	
1. Build capacity for LG decentralization and self-reliance a. Fully automate all local revenue collections	MoLG, LGFC, UBC, KCCA

Intervention	Actors
b. Train and equip local development investment committees to identify, conceptualize, develop, and implement the investment projects in LGs c. Public awareness and stakeholder engagement for local participation in wealth creation initiatives and LED 2. Operationalize program negotiation, consultative and dispute settlement in fiscal decentralization a. Develop and monitor the implementation of a framework for managing LG financial disputes b. Conduct Program Conditional grant negotiations with LGS 3. Enhance Local Economic Development a. Train Local Economic Development Investment Committees (LEDICs) to identify conceptualize, develop and implement Investment Projects in LGs b. Train PDCs and SACCO Executive Leaders in Parishes on PDM c. Develop documentaries on the status of implementation of LED and Fiscal decentralization d. Establish and functionalize City Economic Forums	
Objective 5: Re-engineer the Public Service Delivery Processes/ System to improve access to quality services	
1. Enforce adoption and implementation of e-government services a. Adopt and implement e-government services b. Integrate e-government ICT services 2. Transform key government service delivery processes/ systems. a. Review and re-engineer critical service delivery processes/ systems in MDAs and LGs b. Operationalize the implementation guidelines of service delivery process re-engineering c. Monitor and evaluate the performance of the business process improvement policy guide and the application by the public institutions 3. Improve access to timely, accurate, and comprehensible public information a. Establish Zonal Service Uganda Centres b. Automate Government Service Delivery Systems 4. Strengthen Government Institutions in Records, Archives and Information Management c. Set up and streamline Records Management Systems in MDAs and LGs. d. Roll out Electronic Document and Records Management System e. Undertake compliance assessment to Records and Information Management Standards.	MoICT&NG, NITA-U, MoPS, NIRA, LGS, KCCA
Objective 6: Strengthen institutional coordination and enforce policies, laws, and regulatory frameworks	
1. Enhance Institutional Coordination and Administrative Efficiency a. Coordinate the Public Sector Transformation Programme Working Group b. Mainstream cross cutting issues c. Manage Human Resource of the Institutions d. Enhance uptake of Information and Communication Technology e. Coordinate Final Management, Internal Audit, Procurement and Disposal Services, Records Management, Public Relations and property management f. Coordinate Institutional Planning, budgeting, M&E and Policy Development.	MoPS, PSC, LGFC, KCCA, MoLG, IG

Intervention	Actors
g. Retool Government Institutions 2. Improve Administrative Efficiency for the programme 3. Develop and review policies, laws, and regulations related to the programme 4. Capacitate programme actors to deliver the programme	

Source: Programme secretariat, 2024

19.6 Programme implementation reforms

467. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years are:

i) Comprehensive restructuring of government to make it fit for purpose and reduce the cost of public service;
ii) Undertake comprehensive pay reforms in the public service;
iii) Reform the public service pension scheme from non-contributory to contributory; and
iv) Reform the performance management framework from output to results-based.

19.7 Programme risk and mitigation

468. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) **Institutional Weaknesses and Inadequate Capacity.** Fragmented governance structures, inefficient public administration, and inadequate human resource capacity hinder the Public Sector Transformation Programme (PSTP). These institutional weaknesses result in poor coordination, slow decision-making, and lack of accountability. These issues may significantly impair the implementation of reforms, leading to suboptimal service delivery, ineffective governance, and delays in achieving development targets. To mitigate against this risk, strengthening institutional capacity is essential, including improving governance structures, enhancing human resource skills, and promoting accountability through performance monitoring systems. This will address inefficiencies, improve decision-making, and foster more effective service delivery.
ii) **Policy Misalignment and Inconsistency.** Outdated or conflicting policies create challenges in implementing consistent reforms across sectors, resulting in strategic risks that undermine the effectiveness of public sector transformation. Policy misalignment can hinder the achievement of long-term goals, cause delays in reforms, and lead to inefficiencies in policy enforcement and implementation. To mitigate this risk, the Government needs to focus on policy alignment and harmonization by revising outdated policies, strengthening enforcement mechanisms, and improving inter-agency coordination to ensure smooth, consistent policy implementation.

iii) **External Economic and Environmental Vulnerabilities.** Uganda's reliance on international aid and exposure to global economic fluctuations pose external risks, while climate-related challenges such as natural disasters further threaten public sector stability. These external risks may disrupt the planning, budgeting, and implementation of public sector reforms, potentially derailing development efforts. Mitigation measures include diversification of economic partnerships, adoption of climate resilience measures, and the development of contingency plans that will help safeguard against economic shocks and environmental challenges.

iv) **Corruption and Resource Mismanagement.** Corruption, inefficiencies in resource management, and weak financial systems increase the risk of misallocation of resources, undermining the effectiveness of public sector reforms. Poor resource management and corruption can lead to delays, inefficiencies, and wastage of public funds, severely affecting the success of the PSTP. Implementing anti-corruption measures, improving transparency in procurement processes, and strengthening financial management systems will reduce corruption and ensure efficient resource allocation.

v) **Technological Gaps and Digital Infrastructure Deficiencies.** A lack of advanced digital infrastructure and technology gaps impede the modernization of public services, limiting the ability of public institutions to meet demands for transparency, efficiency, and accessibility. These deficiencies slow down digital transformation efforts, prevent the efficient delivery of public services, and reduce the overall effectiveness of government operations. Mitigation measures include accelerating digital transformation through investment in ICT infrastructure and training. The adoption of digital tools and systems will increase efficiency and improve institutional capacity to respond to citizens' needs.

vi) **Political Interference and Instability.** Political interference and shifting priorities create instability, disrupting the continuity of public sector reforms and leading to inconsistent implementation of policies and programmes. Political instability may lead to the derailing of long-term development initiatives, lack of sustained reforms, and weak accountability in the public sector. Mitigation Measures include fostering stakeholder engagement, including civil society and private sector involvement. This will help ensure inclusive planning and reduce the risks of political interference. Strengthening institutional governance and maintaining stable policy frameworks will ensure sustained reforms.

CHAPTER 20: GOVERNANCE AND SECURITY PROGRAMME

20.1 Introduction

469. **Good governance, security, and peace promote transparency, accountability, and efficient resource management, and a safe and conducive environment for investment and economic activity.** Good governance and the rule of law build strong and reliable institutions. Strong institutions ensure that processes, systems, and decision-making are inclusive, transparent, responsive, and efficient and that citizens' rights are respected, promoted, and protected. This provides a conducive investment climate, builds citizen and investor confidence, fosters fair competition in business, saves scarce resources, expands the tax base, and provides an avenue for resolution of business and personal grievances, and enforcement of contracts. Security is a core function of government that ensures a secure and peaceful environment which is fundamental in attracting local and Foreign Direct Investments, promoting tourism, international relations and diplomacy, and citizen wellbeing.

470. **Good governance, security, and peace ensure an environment where businesses can thrive, and economic activities can expand without disruptions.** A peaceful, secure, and democratic environment allows for seamless production of goods and services which bolsters steady economic progress and provides certainty for long-term domestic & foreign investment. Notwithstanding, a robust legal framework provides certainty in commerce and delivery of strategic investments in value addition, strategic interventions such as PDM and corresponding infrastructure necessary for Greater Kampala Metropolitan Area (GKMA), African Cup of Nations (AFCON), Standard Gauge Railway (SGR), oil & gas, and others. Transparency and anti-corruption interventions ensure value for money in the delivery of strategic investments. Further, good diplomatic relations ensure peace with other countries and open up markets for value-added goods and services. In addition, security forces significantly contribute to the realization of the Plan priorities by engaging in Science, Innovation, and productive activities. Human rights observance ensures the dignity and well-being of the people and enhances their productivity.

471. **This Programme contributes to the realization of the Agenda 2030, the Africa Agenda 2063, the EAC Vision 2050, and the Uganda Vision 2040.** SDG 16 underscores the need to promote peaceful and inclusive societies for sustainable development, the provision of access to justice for all, and the building of effective, accountable, and inclusive institutions at all levels. Aspiration 3 of the Africa Agenda 2063 promotes African stability, peace, and security as a cornerstone for growth. Pillar 6 of the EAC Vision 2050 emphasizes defense, peace, and security as perquisites for socio-economic and political progress necessary for integration, and recognizes good governance as an imperative for growth, poverty eradication and sustainable development. The Uganda Vision 2040 emphasizes strengthening the national defense system ensuring a professional army and reserve force.

472. **The potential of good governance, security, and peace in ensuring a conducive environment for businesses and growth is hindered by:** evolving security threats; inadequate security infrastructure & equipment; ideological disorientation; personnel deficits; prevalence of corruption; limited civic awareness; slow & non-inclusive legislative process; weak enforcement of policies and laws; imbalanced investment in the justice service delivery chain; limited application & integration of digital solutions; high influx of refugees amidst declining international resources; failure to fully leverage capacity of security forces in production; low compliance with the Bill of Rights; limited civic participation in democratic processes; failure to leverage geo-political dynamics for development; and weak institutional and coordination framework for Governance and Security.

473. **The goal of the programme is a peaceful and secure Uganda, adhering to the rule of law.**

20.2 Situation Analysis

474. **Substantial capacity has been built to respond to security threats, however, the evolving nature of these threats requires continuous investment in capacity improvement.** The country has invested in modernizing its security forces by incorporating advanced technology and improved training programmes to better respond to internal and external threats. The country has invested in security apparatus including a more sophisticated intelligence network and border control mechanisms. Between May 2021 and June 2023, over 400 counter-terrorism forces have been equipped. To enhance security surveillance, the Closed-Circuit Television (CCTV) system has been installed. In addition, the implementation of the Intelligence Transportation Monitoring System (ITMS) has commenced to further enhance the ability of security agencies to monitor vehicles and respond to traffic security threats. Improvements have also been noted in staff recruitment and training, infrastructure development, and the resettlement & reintegration of veterans. Consequently, several events have successfully been hosted such as the Non-Aligned Movement and G77+China summits in January 2024. There has been an improvement in the effectiveness of rehabilitation programs, leading to a decline in recidivism. There has also been increased investment in R&D to 0.6% in FY 2022/23 from 0.06% in FY 2017/18 which has improved crime management. However, because of the evolving nature of threats, challenges persist, including cyber threats, threats of terrorism, fluctuations in crime rates, and organized crimes which are becoming more sophisticated. In addition, infrastructure deficits across security agencies remain causing congestion, and poor living conditions, among others.

475. Further, the absence of a national overarching policy framework and resources for the identification, classification, defense, and protection of vital assets and security installations threatens the country's growth and stability pattern. Vital assets and security installations are indispensable resources in the governance and security infrastructure that if secured are crucial to the nation’s functioning and its overall development. With the dynamic existing and emerging security threats, protection must be attached to vital assets and installations.

476. **The country's open-door refugee policy is commended as a best practice; however, this comes with challenges.** The comprehensive refugee response framework has informed the global refugee compact. Most of Uganda is surrounded by countries that are facing a number of security threats which lead to an influx of refugees. By the end of July 2024, the country hosted over 1.7 million refugees. This constrains the country's resources to deliver quality social services and sometimes poses security risks. Integrating such large numbers of refugees in the host communities causes social cohesion problems and requires attention to maintain law & order in hosting areas. Refugees, especially women and children, are vulnerable to human trafficking and exploitation, adding to security and humanitarian concerns.

477. **Efforts have been made to counteract radicalism among the population and ensure stability, however, this remains ad hoc and disjointed.** Statistics reveal that around 30% of security-related incidents involve ideological motivations, underscoring the need for continued vigilance and targeted interventions. Through the National Leadership Institute (NALI), various sections of the population have been re-oriented to promote national unity, counter extremist ideologies, and inculcate a development mindset. Despite these efforts, challenges remain, such as a lack of policy, a legal and institutionalized framework for national service, a lack of a nationally agreed value system, and civic awareness about rights and responsibilities.

478. **Uganda has put in place an elaborate policy, legal, and institutional framework to combat corruption, however, the net effect of these has been minimal.** The government has invested in setting up legal, policy, and anti-corruption institutions. The creation of a special anti-corruption Court has enhanced effectiveness in the enforcement of anti-corruption laws. Additionally, arising from the various frameworks and their enforcement Uganda exited the financial action task force grey-list. Automation of critical processes such as e-procurement and public finance systems has strengthened institutions and minimized opportunities for corruption. Despite these efforts, corruption remains a significant obstacle, with Uganda ranking poorly on Transparency International's Corruption Perceptions Index (26%) and losing an estimated Shs. 9.1 trillion annually to corrupt practices. Public procurement remains particularly vulnerable, with substantial contract values lost to corruption, underscoring the need for continued efforts to address these challenges and achieve economic transformation goals.

479. **The investments in the justice service delivery chain have been uneven with notable achievements in some areas but significant challenges in others**. Public trust and satisfaction in the justice system increased to 69% in 2023 from 59% in 2017. The crime rate decreased to 501 per 100,000 people in 2023 from 667 in 2017, reflecting effective anti-crime measures and enhanced community policing efforts. However, only 10% of the general public seek redress in the formal justice system. Additionally, recidivism decreased to 13.9% in FY2023/24 from 17.1% in FY2017/18, demonstrating successful rehabilitation programs. The

translation and simplification of laws saw significant progress, with the number of translated laws increasing from 9 in 2017 to 22 in 2023 and simplified laws from 16 in 2017 to 29 in 2023. The government's representation in civil cases resulted in substantial savings of Shs. 2.9 trillion in FY2023/24. Strategic investments in infrastructure have been made including the construction of a Justice Law and Order Services (JLOS) house and a National DNA Databank. The proportion of convicts serving community service has risen to 70%, leading to cost savings. Following the enactment of the Administration of Justice Act Cap.4, significant enhancements were made regarding the security of tenure, emoluments, retirement benefits of judicial officers, and geographical coverage of the judiciary. There has, however, been limited investment in corresponding institutions that support the justice service delivery chain such as the Uganda Police Force, the ODPP, the Uganda Prisons Service, the Ministry of Justice and Constitutional Affairs, the Directorate of Community Service, and Legal Aid Service Providers.

480. **To improve efficiency, there have been efforts to automate the justice, law, and order services and governance business processes, however, this has been limited and not fully integrated.** Business registration services offered by the Uganda Registration Service Bureau (URSB), and partly civil registration are now automated. The Uganda Prisons Service (UPS) is part of the virtual court system that allows for virtual attendance of court proceedings by prisoners, improving efficiency, however, it's limited in functionality. There is also the Prisons' Management System that allows for data capture, storage, and analysis, improving data management of prisons. Nonetheless, this is not integrated with other management information systems within the JLO service delivery chain. National passports have been upgraded to electronic versions meeting International Civil Aviation Organization (ICAO) standards, and the application for passport processing has been digitalized to ease access. There is thus a need for integrated automation across all governance and JLO institutions to fully leverage technology for efficient service delivery.

481. **Efforts have been made to promote regional and international relations; however, the country has not taken full advantage of business and economic opportunities.** Uganda has chaired the African Union Peace and Security Council and played key roles in peace processes in Somalia, South Sudan, the DRC, and Burundi. Uganda hosted the 19th Summit of Non-Aligned Movement (NAM) members and the third South Summit plus China in January 2024, and was elected Chairperson of NAM for the next three years and G77 plus China for one year, which will help promote its interests. Additionally, Uganda opened new missions in Havana (Cuba), and Luanda (Angola), enhancing its diplomatic presence. The country has in the last four years coordinated the negotiation, signing, ratification, and domestication of 154 international agreements/MoUs on political, social, and economic matters. This provides opportunities for trade, tourism, and attracting FDI, however, these opportunities have not been optimally exploited.

482. **The armed forces have contributed to national development by engaging in various science, innovation, and productive activities, however, their capacity has not been fully leveraged.** Through the National Enterprise Corporation, several value-added products including armored vehicles have been produced and provided value addition facilities for other public and private enterprises. In addition, they are supporting the Kira Motors Corporation in assembling vehicles. They have also supported the development of agriculture by engaging in the production and distribution of inputs. Further, the military has been involved in the construction and rehabilitation of critical infrastructure. Similarly, the UPF and UPS are involved in production and value-addition activities such as leather and textile manufacturing, carpentry, and commercial agriculture. However, the capacity they have in terms of labor and land has not been fully exploited. There is a need for mechanization particularly in agriculture. There is also a need for Research and Development, and technological transfer to facilitate innovations.

483. **There has been notable progress in promoting constitutional democracy, however, challenges including the commercialization of politics affect meaningful participation in democratic processes.** Over the years, Uganda has promoted good governance through constitutional democracy, equal representation, equity, tolerance, constructive dialogue and openness towards others at local, national, and international levels. The country successfully conducted free, fair, and transparent general elections in 2020/2021 with a 90% voter registration and a 59.4% voter turnout. However, there was a decline in the democratic index performance to 4.6 in 2023 from 6.5% in 2018. The commercialization of politics undermines democracy resulting in electoral-related malpractices and violence. In addition, the continued creation of administrative units increases the cost of public administration. For instance, during the 2020/2021 general elections, 10 new cities were created long after the electoral roadmap which affected planning. The failure to enforce improvement recommendations and the late enactment/amendment of electoral laws further constrain the effective implementation of electoral activities. Several electoral laws are pending amendment, for example, the proposed enactment of a law on voting by prisoners and citizens in the diaspora.

484. **Public Policy analysis and management has improved, though processes remain slow and enforcement weak.** Policy submissions to cabinet are reviewed for adequacy and harmony with national, regional, and international commitments increasing the compliance rate to 62% in 2023/2024 from 45% in FY2020/21. To support decentralized governance, ordinances, and by-laws are reviewed and published. There has also been monitoring and oversight of government policies, programs, and projects to ensure compliance. Further, to ease understanding, laws were simplified and translated, and to harmonize parent laws with amendments and developments in case law a revised edition of the laws of Uganda was commissioned. Institutions such as the Cabinet Secretariat and state house units such as the State House Monitoring Unit were strengthened to provide policy oversight and monitoring. However, the policy and legislative formulation process is still slow and enforcement

challenging, with just about 45% of cabinet decisions fully implemented in the last four years and late amendment/enactment of electoral laws leading to constraining strict adherence to the electoral roadmap. There is a need for targeted and evidence-based policy formulation to decrease redundancy and increase enforcement. There is also a need to automate the drafting of legislation and link it to the Parliament of Uganda for easier tracking of bills drafted and those that delay in the system.

485. **Human Rights respect, protection, and promotion has steadily improved but challenges remain in rights awareness and respect for individual rights.** The Uganda Human Rights Commission (UHRC) has maintained its global A-Status for efforts towards rights observance. There has been monitoring of Government compliance with international treaties, and submission of independent reports to continental and global rights bodies, demonstrating Uganda's commitment to international obligations and its efforts to improve human rights records. The Human Rights (Enforcement) Act Cap.12 was enacted to hold rights violators personally responsible for their actions. Human resource capacities for duty bearers and rights holders were enhanced through training and civic education to protect and promote human rights respectively. For example, JLOS runs annual scholarships for a Diploma in Human Rights for law enforcement agencies. The National Civic Education draft policy was developed pending cabinet approval. In addition, Human Rights structures (Directorates and Desks) were established across many Government MDAs and LG to mainstream a Human Rights Based Approach (HRBA). However, rights awareness is at 25%, indicating a need for improved rights education. There is also high case backlog at the tribunal and investigation level, delayed payment of compensation, delayed response by respondents and lack of feedback from different institutions where complaints are being referred. There is further, inadequate compliance with UHRC recommendations and a delay in the submission of state reports to treaty bodies.

486. **The Governance and Security Programme in Uganda is administratively anchored in the Office of the President and coordinated by the Governance and Security Programme Secretariat.** With 35 MDAs however, the programme is very large, creating a number of administrative and coordination challenges. Challenges include overlapping mandates among agencies, poor communication, and lack of clear guidelines, leading to inefficiencies and duplication of efforts. Addressing these challenges requires strengthening the programme working group, automation and integration, building institutional capacity, and strengthening inter-agency coordination mechanisms.

487. **The Program has made strides in enhancing human resource capacity to support effective governance and ensure security across the country, although gaps exist.** Institutions, including universities, law enforcement academies, and specialized training centers, have played pivotal roles in training professionals in areas such as public administration, law enforcement, conflict resolution, and cybersecurity. These educational

initiatives are crucial in equipping individuals with the necessary skills to navigate the complexities of governance and security challenges in the country. Despite these advancements, the program faces notable challenges in meeting its human resource requirements. There is a critical shortage of skilled professionals in vital fields, including cybersecurity, Anti-Corruption and Money Laundering Specialists, intelligence analysis, and crisis management. These skills are essential for safeguarding national security and ensuring that governance structures are resilient in the face of emerging threats, such as cybercrime and terrorism. Additionally, there is an urgent need for experts in public policy analysis, administrative law, and regulatory compliance to enhance the effectiveness of governance frameworks and promote transparency and accountability within institutions. Furthermore, the program requires specialists in community policing, conflict resolution, and human rights advocacy to strengthen the relationship between law enforcement agencies and the communities they serve. This focus on community engagement is vital for fostering trust and cooperation, which are essential components of effective governance and security. On the other hand, there is an oversupply of personnel in general administrative roles, Security Guards and Records Clerks leading to inefficiencies in service delivery. Such gaps need to be addressed to have an adequate and skilled workforce capable of driving effective governance and ensuring security, and fostering a more stable and prosperous economy. For details, refer to the annex on programme human resource requirements.

488. **To ensure a peaceful and secure environment, as well as effective governance, this programme focuses on:** enhancing the capacity of the security forces to respond to the existing and evolving threats; enhancing patriotism, national value system and civic awareness; improving JLOS delivery processes; strengthening the fight against corruption; strengthening application & integration of digital solutions; leveraging the capacity of the security forces in production, value addition and infrastructure development; promoting compliance with the Bill of Rights; strengthening democracy; strengthening regional and international relations; refugee protection; strengthening public policy analysis and management; and strengthening the administrative, legal, institutional, and coordination capacity for security and governance.

20.3 Programme objectives

489. The objectives of this programme are to:

i) Strengthen the capacity of security agencies to participate in production and value addition and address security threats, and emergencies;
ii) Enhance efficiency in the delivery of justice, law and order services;
iii) Enhance transparency, accountability and anti-money laundering systems for effective governance;
iv) Strengthen citizen participation in democratic processes;
v) Enhance compliance with and implementation of the Uganda Bill of Rights;

vi) Promote Uganda’s interests at regional and international level;
vii) Strengthen public policy analysis and management;
viii) Enhance the national response for coordinating refugee protection and migration management; and
ix) Strengthen the administrative, institutional, and coordination capacity for governance and security.

20.4 Programme Results

490. The expected key programme results are:

i) Reduced crime rate to 489.18 per 100,000 persons from 502 in 2023;
ii) Increased proportion of the population with a justice need seeking redress in the formal justice system to 50% from 10% in FY2023/24;
iii) Increased public satisfaction in governance and JLO services to 70% from 59% in FY;
iv) Improved rating of Uganda in the Global Peace Index to 2.2 from 2.3 in FY2023/24;
v) Improve the Corruption Perception Index to 31% from 26% in 2023;
vi) Increased Democratic Index from 4.94% in 2023 to 5.5%;
vii) Improved Governance Effectiveness Index score to 64 from 52 in 2023;
viii) Enhanced compliance with the Bill of Rights;
ix) Reduced proportion of refugees and host community populations living below the national poverty line from 32% in FY2022/23 to 27%;
x) Improved image of Uganda abroad to 7 from 6 in 2024 – BTI Transformation Index; and
xi) Improved effectiveness in the delivery of programme results to 75 from 50 in FY2023/24.

20.5 Interventions

491. To achieve the above results, the following interventions (Table 20.1) have been prioritized under this Programme.

Table 20.1: Interventions under the GSP Programme and respective actors

Intervention	Actors
Objective 1: Strengthen the capacity of security agencies to participate in production and value addition and address security threats, and emergencies	
1) Create modern and formidable security sector agencies, for security and emergencies a) Train and equip security agencies b) Equip the security sector to handle changing dimensions of crime. c) Prevention trafficking in persons (TIP) d) Fight terrorism e) Undertake research and development f) Secure Vital Assets and Strategic Installations g) Control and manage small arms and light weapons	OPM, Directorate of Citizenship and Immigration Control (DCIC), Uganda Police Force (UPF), External Security Organization (ESO), Internal Security Organization (ISO), Ministry of East African

h) Undertake identification and registration of persons services i) Control the use of commercial explosives j) Provide migration facilities to foreign nationals k) Implement early warning and response mechanisms. l) Regulate NGOs m) Implement the sub-county policing model	Community Affairs (MEACA), Ministry of Foreign Affairs (MOFA). Ministry of Local Government (MoLG), Office of the President (OP), Ministry of Defence and Veterans Affairs (MoDVA), Ministry of Internal Affairs (MIA), Uganda Prisons Service (UPS), National Identification and Registration Authority (NIRA), Financial Intelligence Authority (FIA), Kampala Capital City Authority (KCCA)
2) Enhance regional and continental security cooperation a) Control border security. b) Undertake Regional peace and security engagements	
3) Enhance the welfare of security sector personnel a) Provide Housing/Accommodation of Security Sector Personnel b) Provide Healthcare services of the security personnel c) Provide formal education to the children of security personnel d) Empower security personnel and their spouses economically.	
4) Strengthen the capacity of the security forces and agencies to contribute to national development a) Engage in productive activities and value addition for national development b) Build capacity of security agencies to undertake infrastructure development	
5) Build a vibrant and productive veterans society a) Seamlessly transition resettle and integrate veterans into productive civilian livelihoods.	
6) Establish and operationalize the National service programme a) Coordinate implementation of the National service programme.	
Objective 2: To Strengthen public policy management, legal and institutional frameworks	
1) Strengthen coordination of the policy and legislative-making processes a) Develop and review appropriate legislation b) Simplify, translate and disseminate available laws, policies and standards c) Undertake participatory law reform and review processes d) Develop and review effective policies e) Domesticate regional and international laws, protocols and treaties	
2) Enhance oversight and monitoring of policy implementation for service delivery a) Monitor and evaluate the implementation of public policies, program and projects b) Inspect compliance to legislative frameworks	
3) Strengthen institutional framework for policy and legislative processes coordination and implementation a) Undertake enterprise governance b) Build institutional and executive capacities	
4) Enhance the administration of programme services of the Presidency. a) Provide technical and logistical support to the Presidency.	
Objective 3: To enhance efficiency in the delivery of justice, law and order services	

1) Enhance equitable access to justice for social economic development a) Develop appropriate infrastructure for justice, law, and order b) Provide equitable justice Services c) Create public awareness and undertake empowerment on JLO Service d) Implement transitional justice and informal justice system	MIA, UPF, UPS, NIRA, Directorate of Government Analytical Labaratory (DGAL), MoJCA, Office of the Directorate of Public Prosecutions (ODPP), DCIC, Judicial Service Commission (JSC), ULRC, Uganda Human Rights Commission (UHRC), Uganda Registration Services Bureau (URSB), Law Development Centre (LDC), Ministry of Gender Labour and Social Development (MoGLSD), Uganda Law Society (ULS), Tax Appeals Tribunal (TAT), MoLG, EOC (Judiciary collaboration)
2) Strengthen the justice law and order and governance service delivery systems a) Build capacity of institutions and duty bearers including customer care b) Prevent and respond to crime c) Re-engineer business processes to reduce red tape in service delivery d) Automate and Integrate JLOS Systems e) Maintain and Support the Chain Linked System	
Objective 4: To Enhance transparency, accountability and anti-money laundering systems for effective governance	
1) Strengthen Anti-Money Laundering Mechanisms a) Enforce AML/CFT/CPF laws b) Collect and disseminate information on AML/CFT/CPF to Competent Authorities c) Undertake International Cooperation in AML/CFT/CPF d) Identify proceeds of crime e) Create public awareness and understanding of matters related to ML/TF/PF	Inspectorate of Government (IG), Office of the Auditor General (OAG), Directorate of Ethics and Integrity (DEI), Leadership Code Tribunal (LCT), Public Procurement and Disposal of Assets Authority (PPDA), State House, OP, ISO, FIA, UPF, ODPP, MoJCA, URSB, MoFPED, OIAG, Office of the Accountant General (OIAcG.), MIA, DCIC, NGO Bureau, and KCCA
2) Enhance public demand for accountability a) Develop and implement Public Awareness campaigns and programmes to empower Citizens to participate in accountability processes b) Collaboration and build effective partnerships with state and non-state actors. c) Implement the social accountability strategy to increase public demand for accountability.	
3) Strengthen prevention and detection of corruption and enforce Anti-corruption Measures a) Develop and implement the mechanisms for whistle-blowers and witness protection b) Leverage technology for anti-corruption efforts (digitization, digitalization and digital transformation) c) Investigation and prosecute corruption cases d) Undertake financial due diligence on prospective investors e) Build capacity of anti-corruption and accountability agencies	
4) Strengthen monitoring of Government programmes for effective service delivery a) Build capacity of the stakeholders to monitor government programmes	

b) Review and implement the monitoring framework for government programmes	
5) Enhance Compliance to anti-corruption and accountability rules and regulations a) Coordinate Uganda's compliance with national, regional and international anti-corruption and accountability legal obligations. b) Build the capacity public sector governing bodies to achieve effective internal oversight of management operations and institutional productivity. c) Increase the scope, quality and impact of audits d) iv. Comply with the public procurement system	
6) Strengthen Asset Recovery Framework a) Implement the mechanisms for identification, tracing recovering, and management of illicit enrichment and unexplained wealth. b) Reform and implement the legal and regulatory framework for Asset Recovery, Management and disposal	
7) Mainstream anti-corruption initiatives (such as Transparency, accountability and Anti-Corruption- TAAC) in all MDA plans, projects/programmes and budgets a) Develop and roll out the TAAC mainstreaming strategy to support the mainstreaming and coordination of Anti-Corruption initiatives. b) Conduct capacity building and institutional strengthening of the MDAs and LGs	
8) Strengthen the recognition and award system for outstanding civic contributions to motivate individuals and organizations. a) Implement the national incentive framework for recognition and award b) Implement initiatives to promote a culture of pan-Africanism, nationalism, patriotism and service above self in the interest of national development	
Objective 5: To strengthen citizen participation in democratic processes	
1) Strengthen democracy and electoral processes a) Develop and implement the Civic Education Policy b) Manage the electoral processes. c) Increase participation of the population (including vulnerable persons) in electoral processes. d) Provide election security e) Support democratization processes across EAC f)	MoJCA, MIA, MoLG, MEACA, MoFA, Electoral Commission (EC), NIRA, UHRC, Equal Opportunities Commission (EOC), UPS, UPF, ISO and ULRC.
2) Strengthen identification and registration services a) Verify Citizens and update the national voters register.	
Objective 6: To enhance compliance with and implementation of the Uganda Bill of Rights	
1) Integrate HRBA in policies, legislation, plans and programmes a) Review and assess policies and legislation for compliance with HRBA principles	MIA, UPF, UPS, NIRA, DGAL, MoJCA, ODPP, DCIC, JSC, ULRC, UHRC, URSB, LDC, MoGLSD, ULS, TAT,
2) Strengthen civic education on the rule of law and the Bill of Rights a) Simplify and popularize the bill of rights b) Undertake HRBA research	

3) Ensure regular reporting and effective implementation of Human Rights recommendations and NAP a) Monitor state compliance with human rights standards b) Produce timely reports and engage respective MDAs to implement the recommendations.	MoLG, EOC (Judiciary collaboration)
4) Fast track the disposal of Human Rights and Equity Complaints a) Reduce lead times in the disposal of complaints of human rights violations	
Objective 7: To promote Uganda's interests at regional and international level	
1) Strengthen bilateral and multilateral relationships at both regional and international level	MoFA, MEACA, MoDVA, ESO, OP, State House, ISO, Missions Abroad and MoJCA.
2) Ensure adherence to regional and international laws and commitments	
3) Provide diplomatic, protocol and consular services both at home and abroad	
Objective 8: Enhance the national response for coordinating refugee protection and migration management	
1)Strengthen responses that address refugee protection and assistance a) Receive, screen, register, and settle refugees b) Process asylum seekers through the RSD processes c) Engage in regional and international meetings and organizations	OPM, MoDVA, UPF, ESO, ISO, MIA, DCIC
2)Strengthen the Role of Non-State actors in refugee responses a) Coordinate with international and local partners for relief b) Reinforce the integration of refugee projects and frameworks within mandated structures c) Align non-state actor services with national priorities	
Objective 9: To strengthen the administrative, legal, institutional, and coordination capacity for security and governance	
1) Strengthen government institutions for effective and efficient service delivery a) Payment of fixed costs (wage and non-wage) b) Administrative and legal reforms c) Processes automation, integration and optimization d) Undertake programme cooordination	All MDAs

Source: Programme secretariat, 2024

20.6 Implementation reforms

492. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years are:

i) Leveraging production, value addition, and Infrastructure development for security agencies;

ii) Strengthening automation and integration of government systems – digital voting (Ugandans in diaspora and inmates) as well as foreign relations;

iii) Formation of subject matter Cabinet Sub-Committee Systems for evidence-based policy analysis;

iv) Deliberately positioning Uganda globally in relation to employment, MICE opportunities, and other benefits;
v) Engaging more in applied Research, Innovation and Development; and
vi) Strengthening Inter-programme coordination to improve complementarity.

20.7 Programme risk and mitigation

493. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) With national elections slated for early 2026, violence and attendant political instability pose a moderate risk to the implementation of planned interventions. There is a need to engage stakeholders including political parties to accept election outcomes and prevail over their supporters. There is a further need for comprehensive civic education of the electorates. Security during the elections is also paramount;
ii) There is also a moderate risk of geo-political conflicts within the Great Lakes region leading to insecurity within the Country and an influx of an unmanageable number of refugees. There is therefore need to strengthen bilateral and multilateral relations within the region to prevent foreseeable conflicts and strengthen regional and international organizations such as the EAC, IGAD, and the UN;
iii) The evolving technological landscape poses a high risk for security and an increased incidence of transnational and cybercrimes. Increased investment in research and development is therefore key;
iv) Disruption in diplomatic relations due to among other things conflicting values between Uganda and her partners poses a moderate risk to building Uganda’s image abroad. Further, changes in development and budget support priorities compound the risk of limited resources to finance programme interventions. There is a need for continued engagement with Partners to articulate the Country’s beliefs and value system amicably. There further need for increased domestic resource mobilization and enforcement of fiscal discipline across government;
v) There is a moderate risk of unforeseen natural disasters and epidemics such as COVID-19 that could disrupt the implementation of planned interventions. The Country needs to have early warning and response mechanisms in place to deal with such eventualities.
vi) The is further a low risk of non-state actor disengagement from the implementation process due to mistrust and lack of support from development partners. Deliberate regular engagements and strategic cooperation between the Government and non-state actors is therefore paramount;
vii) Citizen apathy poses a moderate risk to implementation. As consumers of government services, citizen cooperation is key to Programme success. Refusal to participate in electoral processes for instance can adversely affect the credibility of Uganda’s democracy, with serious unintended consequences. There is thus a need for

comprehensive and timely national awareness creation about Programme objectives and intended outcomes;

viii) Planned resources are based on projections over the years. However, there is a risk of this being stretched beyond unmanageable limits due to increased targets, for instance, the massive influx of refugees or protracted security engagements. There is therefore a need to strengthen border security and bilateral engagements to deal with increased security threats and any extra refugees beyond the Country's carrying capacity.

CHAPTER 21: ADMINISTRATION OF JUSTICE

21.1 Introduction

494. **An efficient administration of the justice system ensures a stable and predictable legal environment which is essential in fostering investment and economic activities.** An efficient judicial system ensures the enforcement of contracts, protection of property rights, and resolution of disputes, thereby enhancing investor confidence and encouraging both domestic and foreign investments. The administration of justice upholds the rule of law, promotes fair competition, and protects individual & corporate rights, contributing to social stability and sustainable economic growth. It also fosters trust in the government and institutions, which are essential for a functioning democracy.

495. **Administration of justice ensures adherence to the rule of law which is essential for the realization of the priorities of this Plan**. Effective and timely adjudication of commercial disputes will unlock private capital held up in the justice system which can be invested in key growth areas. This also boosts investor confidence which is key for attracting investments. Enforcement of intellectual property laws protects proprietary rights of investors in literary, scientific, and artistic works which is crucial for the promotion of STI and culture & creative industry. Effective Local Council courts support the implementation of government programmes such as PDM and EMYOOGA by providing informal and friendly justice processes. Prioritizing land justice fosters accelerated implementation of infrastructure projects through timely determination of land ownership rights and quantum of compensation.

496. **The Programme contributes to the realization of global, regional and national development agenda.** Agenda 2030 (Goal 16) emphasizes access to equal justice for all. Africa Agenda 2063 (Goal 11) advocates for democratic values, practices, universal principles of human rights, justice and the rule of law. The EAC Vision 2050 (Pillar 3.6) calls for entrenchment for access to justice and the rule of law in all partner states. Similarly, the Uganda Vision 2040 emphasizes the consolidation of the tenets of good governance which include constitutional democracy; protection of human rights; the rule of law; transparency and accountability; government effectiveness and regulatory quality; effective citizen participation in development processes among others.

497. **The efficiency of the administration of justice system to provide a stable and enabling business environment is hindered by:** high volume and sophistication of crime; inadequate number and the skills of human resource; slow expansion and integration of automated system; limited access to legal aid by vulnerable person; gaps in the legal and regulatory framework; corruption within the administration of justice; congestion in detention centers; weak informal justice processes; and inadequate physical infrastructure.

498. **The goal of this Programme is improved access to justice for all.**

21.2 Situation Analysis

499. **The case disposal rate has been improved, however, there are still delays in the resolution of cases due to the high volume and sophistication of crime leading to case backlog.** The disposal rate of cases has increased to 63% in FY2022/23 from 49.3% in FY2020/21, largely due to increased investment & innovation in case management, and improvement in forensic analysis. There has also been an improvement in the conviction rate in criminal cases to 70.36% in FY2022/23 from 60.0% in FY2020/21. Consequently, the case backlog in the justice system reduced to 22.2% in FY2022/23 from 32% in FY2020/21. However, this is still high, largely due to the high volume of cases registered, inadequacies in the criminal investigation, limited legal aid, and inadequate human resource capacity of justice actors. Currently, the detective-to-case ratio stands at 1:39 against the globally recommended ratio of 1:12 and the prosecutor-to-case ratio is at 1:346. Only 85 Community Service field staff serving the country make it hard for effective service delivery. Regarding civil litigation, the Ministry of Justice and Constitutional Affairs has a total of 76 attorneys with each attorney handling between 240-300 files against the desired position of an attorney to 50 files. The Industrial Court has only two Judges serving the entire country out of the recommended 5. There are only 32 Probation and Welfare Officers/Assistant Probation and Welfare Officers in all remand homes against the total juvenile population of 1,028 juveniles i.e., probation officer to juvenile ratio of 1:32.

500. **The slow expansion and integration of automated systems affect efficiency in the management of cases**. The existing systems such as Electronic Court Case Management Information System (ECCMIS) and Prosecution Case Management Information System (PROCAMIS) have not been widely rolled out and integrated. There is a slow pace of automation of the Electronic Policing Information System (ePIS), the Prisons Management Information System (PMIS), and other supportive electronic systems. There are skills gaps, especially in the usage of technologies such as e-justice systems and emerging technologies such as Artificial Intelligence.

501. **Congestion in detention centers persists despite a reduction in the proportion of the prison population on remand**. The proportion of the prison population on remand reduced to 48.5% in FY2022/23 from 52.2% by the close of FY2021/22 but this reduction is not substantial hence the need to scale up the use of other non-custodial means such as community service and Alternative Dispute Resolution (ADR). By December 2023, 2,338 remand prisoners on petty offences and 2,058 remand prisoners on capital offences had surpassed the mandatory period on remand of 2 and 6 months, respectively without being committed to the high court. In addition, 4,738 prisoners committed to the High Court for trial have spent more than 2 years without trial. The proportion of juveniles on remand by the end of FY 2023/24 was 76.7% (759 out of a total population of 989 juveniles).

502. **There is a high demand for legal aid services by vulnerable persons, however, the capacity to provide legal aid is limited**. Provision of legal aid to the poor, vulnerable, and marginalized remains a challenge in access to justice. These services are provided by Law Development Centre -Legal Aid Clinic (LDC-LAC), Justice Centres Uganda (JCU), the Judiciary and non-state actors. The Judiciary continues to offer state briefs in High Court Circuits and Chief Magistrate Courts. i.e. legal aid for persons accused of capital offences who cannot afford legal costs, but lacks resources to cover all indigent persons. Between FY2020/21 and FY2023/24, the LDC-LAC handled 5,648 cases (4,770 male and 878 female) through legal aid out of the 18,000 that registered for the service, due to inadequate resources.

503. **Gaps in the legal and regulatory framework hinder the effective administration of justice.** The absence of witness protection law has created gaps in providing protection, safety, and confidentiality of witnesses in court proceedings. Lack of the legal aid law affects the regulation of legal aid service providers. Lack of Mutual Legal Assistance Law affects the handling of cross-border crimes. The absence of guidelines to regulate the procedure for Confiscation and Recovery orders on what to do with tainted property. In addition, there are gaps in the KCCA legislation for the supervision of law enforcement officers and their activities in enforcing the ordinances passed by KCCA Notwithstanding the provision of the Constitution of Uganda, marriages, divorce & succession disputes of Mohammedans in Qadhi Courts have not been operationalized due to absence of enabling law.

504. **The limited capacity of Local Council Courts in the management of cases limits access to justice at the grassroots level**. There has been a significant increase in people going to local council courts to 26% in 2024 from 13% in 2020, however, the capacity of these courts is still low. This is largely attributed to a lack of quorum in some courts, limited facilitation, and limited support supervision leading to low adherence to operational standards. The gaps in Local Council Courts if not addressed will further congest the formal justice system.

505. **Efforts have been made to fight corruption within the justice system, however, incidents of corruption persist, undermining public trust**. The Judiciary's Inspectorate of Courts has continued to work closely with the Judicial Service Commission to hold errant officers accountable. Specifically, 102 cases have been handled by the disciplinary committee and appropriate actions have been taken between FY2020/21 and FY2023/24. In addition, institutions such as ODPP, Uganda Police Force (CID), Prisons, and LDC continue to implement complaints handling and feedback mechanisms as avenues for interaction with the users of the justice services specifically in identifying gaps and corruption tendencies in justice service delivery. Despite these efforts, corruption remains a big challenge to the delivery of justice.

506. **The lack of harmonization of the formal and informal justice system hinders the adoption of traditional and indigenous systems as alternatives to dispute resolution**. The

tradition and indigenous systems provide expeditious and cost-effective justice delivery; however, their utilization is limited. This is largely due to a lack of harmonization with the formal justice systems which hinders proper coordination in the administration of justice. In addition, the limited implementation of the Transitional Justice Policy, 2019, and the lack of Transitional Justice Law hinder transitional justice.

507. **Despite considerable milestones being recorded in terms of infrastructure improvement for justice system actors over the years, the situation is far from ideal**. Over the last three years, the Supreme Court and Court of Appeal buildings have been completed together with Mukono High Court and Patonga Grade One Court. Different court buildings in the districts of Adjumani, Tororo, Sheema, Alebtong, Abim, Budaka, Kyegegwa, Karenga and Lyantonde are at different levels of completion. In the same vein, the construction and equipping of AJP service delivery points in different districts are at different levels of completion. These include ODPP regional offices in Soroti, Mbale, Jinja, Jinja, Alebtong, Madi-Okollo, Palisa, Kamwenge and Amuria. Also, several police posts are under construction and renovation including: Palabek in Lamwo; Kato-Imvepi police post in Terego and Ofua IV in Rhino Camp police post in Madi Okollo. However, one of the most enduring challenges is the inadequate physical infrastructure and scarcity of decent institutional houses in hard-to-reach/hard-to-stay areas. This has undercut gains made in terms of operationalization of justice service delivery points as duty bearers stay away from their respective stations. In addition, there are only seven operational remand homes and one rehabilitation centre serving the entire country. Most of these facilities were constructed in the early 1950s with a total holding capacity of 50 juveniles per facility against a juvenile population of 150 juveniles and congestion of 166.2% in remand homes in FY23/24 and its associated effects of inadequate accommodation space, poor health conditions and pressure on available resources.

508. **Considerable progress has been made in enhancing human resource capacity to support the efficient and fair delivery of justice in Uganda**. Key institutions, including Universities, law schools, judicial training institutes, and paralegal training centers, have been instrumental in preparing professionals in essential areas such as law, conflict resolution, mediation, and legal advocacy. These educational initiatives are crucial for equipping individuals with the skills necessary to navigate the complexities of the legal system and ensure the protection of citizens' rights. Despite these achievements, the program faces significant challenges in fulfilling its human resource requirements. There is a critical shortage of qualified professionals in key fields, particularly judges, magistrates, public defenders, and legal aid providers. These roles are vital for ensuring timely access to justice and upholding the rule of law. Additionally, the demand for specialists in areas such as restorative justice, human rights law, and alternative dispute resolution is growing, as these competencies are essential for fostering a more equitable and effective justice system. Furthermore, there is an urgent need for professionals with expertise in judicial administration and court management to enhance the operational efficiency of the judiciary and improve service delivery. This includes skills

in case management, legal research, and the use of technology in the administration of justice, which are increasingly important in modern legal contexts. Conversely, the program has seen an oversupply of personnel in general clerical and administrative roles within the program. While these positions support the functioning of the system, the surplus indicates a misalignment between the existing workforce and the specialized skills needed for effective justice administration. Moreover, many law graduates and legal professionals lack practical experience, particularly in real-world settings where justice is administered. There is need to address these gaps to ensure that justice is accessible, equitable, and efficient for all citizens. For details, refer to the annex on programme human resource requirements.

509. **To ensure improved access to justice for all, this Programme will focus on**: reducing case backlog, especially in commercial, land, civil, and family cases; improving staffing & skilling; expanding and integrating automated systems; increasing access to legal aid by vulnerable persons; strengthening the legal and regulatory framework; increasing public trust in the justice system; reducing congestion in detention centers; harmonizing formal & informal justice processes; and improving physical infrastructure.

21.3 Programme objective

510. Under this programme, the following objectives will be pursued:

i) Strengthen a people-centered justice delivery system;
ii) Strengthen and reform Justice business processes; and
iii) Strengthen Administrative, Legal, Institutional and Coordination capacity for the Administration of Justice.

21.4 Programme Results

511. The Programme thus aims to achieve the following key results by the end of FY2029/30:

i) Increased level of public trust in the justice system from 70.8% in FY 2023/24 to 73.5% in FY 2029/30;
ii) Improved accessibility and affordability index of civil justice from 0.40 in 2023 to 0.5 in 2030;
iii) Increased proportion of the population with access to a frontline justice service point within a 15-kilometre radius from 56.16 in FY2023/24 to at least 61.2%;
iv) Reduced backlog cases in the administration of the justice system from 27.23% in FY2023/24 to 10.00%;
v) Reduced average Turn Around Time in the administration of justice from 891 days in FY2023/24 to 730 days;
vi) Reduced the proportion of prison population on remand from 47.3% in FY 2023/24 to 41.3%; and

vii) Improved the Corruption Perception Index in the justice system from 26.00% in FY2023/24 to 31.00%.

21.5 Interventions

512. To achieve the above results, the following interventions (Table 21.1) have been prioritized under this Programme.

Table 21.1: Programme interventions and actors

Interventions	**Actors**
Objective 1: Strengthen a people-centered justice delivery system	
1. Promote the use of Alternative Dispute Resolution in resolving disputes a. Use of mediation and arbitration in dispute settlement b. Use of small claims procedure in settlement of civil-commercial disputes whose value is below Shs. 10 million. *c.* Use of reconciliation and plea bargaining in the disposal of criminal cases	Judiciary, ODPP, Tax Appeals Tribunal, LDC-Legal Aid Clinic, Justice Centres Uganda, MoGLSD (Industrial Court), KCCA, Uganda Law Society
2. Strengthen case management a. Speedy investigation, prosecution and disposal of cases, especially criminal, land, commercial, civil and family cases b. Witness protection and mutual legal assistance c. Build the capacity of Local Council Courts to effectively execute their mandate d. Harmonize formal and informal justice systems	Uganda Police Force, Directorate of Government Analytical Laboratory (DGAL), ODPP, Judiciary, Uganda Law Society, MoLG (Local Council Courts)
3. Strengthen the provision of legal aid services and state brief scheme a. Provide free legal representation to indigent persons b. Expand the coverage of legal aid services	LDC-Legal Aid Clinic, Justice Centres Uganda, Judiciary, MoLGSD (Labour and Juvenile Justice), Uganda Law Society
4. Strengthen Implementation of court orders a. Asset recovery against orders issued for execution b. Use of non-custodial sentences such as community service c. Enforcing court awards	Uganda Prisons Service, MoGLSD (Juvenile Justice), Judiciary, KCCA
5. Promote human rights-based custody a. Implement human rights-based custody for prisoners and Juveniles	Uganda Prisons Service, MoGLSD (Juvenile Justice)
6. Increase the coverage of justice service delivery points a. Construct and operationalize the new justice service delivery points	Judiciary, Uganda Police Force, Uganda Prisons Service, MIA/DCS, JSC, ODPP, DGAL, MoIA (Community Service), MoGLSD (Labour and Juvenile, KCCA), Justice Centres Uganda, DGAL

Interventions	Actors
7. Rehabilitate and equip the administration of Justice delivery points	Judiciary, Uganda Police Force, Uganda Prisons Service, MIA/DCS, JSC, ODPP, DGAL, MoIA (Community Service), MoGLSD (Labour and Juvenile Justice), KCCA, Justice Centres Uganda, TAT, DGAL
8. Implement special programmes that promote equal opportunities to reduce vulnerability a. Establishment of facilities responsive to persons with special needs such as child friendly space, SGBV victim spaces etc. b. Provision of counselling and psychosocial support to duty bearers and rights holders	MoGLSD (Juvenile Justice), Judiciary, Uganda Prisons Service, JSC
9. Increase public awareness and advocacy for Justice services. a. Hold annual court open day b. Conduct community outreaches and barazas c. Hold annual administration of justice forums	Judiciary, JSC, KCCA, Justice Centres Uganda, MOGLSD, Uganda Prisons Service
10. Strengthen quality assurance in the administration of Justice a. Review and enhance implementation of Service delivery standards b. Scale up inspection of justice service delivery c. Establish robust complaints management and feedback mechanisms	Judiciary, ODPP, MoGLSD, Uganda Prisons Service, Uganda Police Force, MoLG (Local Council Courts, DGAL, Justice Centres Uganda, TAT, JSC, LDC-LAC
Objective 2: Reform and strengthen Justice business processes	
1. Increase efficiency and effectiveness of justice delivery processes a. Automate and integrate Justice delivery systems b. Establish a robust transparency and accountability system within the Administration of Justice Institutions c. Empower Rights holders to fight corruption	ODPP, Judiciary, KCCA, DGAL, Uganda Police Force, Uganda Prisons Service, MoGLSD, JSC, MoIA (Community Service)
2. Strengthen case records management systems a. Re-organising and automating case registries b. Streamline the management of Police case files and exhibits	Judiciary, JSC, KCCA
3. Strengthen measures to reduce case backlog a. Conduct case backlog census in administration of justice b. Review and develop Administration of Justice Programme case backlog reduction strategy c. Conduct backlog reduction sessions	Judiciary, ODPP, TAT, MoLG (Local Council Courts), DGAL, Uganda Police Force
4. Conduct research and innovation in administration of justice	LDC, JSC, Judiciary, DGAL, ODPP, MoGLSD

Interventions	Actors
Objective 3: Strengthen Administrative, Legal, Institutional and Coordination capacity for justice service delivery	
1. Strengthen legal and regulatory mechanisms for effective and efficient justice service delivery	MoGLSD, KCCA, Judiciary, ODPP
2. Strengthen government institutions for effective and efficient service delivery	All Institutions

Source: Programme secretariat, 2024

21.6 Programme implementation reforms

513. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years are:

i) Improve harmony in service delivery among Administration of Justice Institutions by reviewing the institutional service delivery structures such as community service, prison services, and prosecution function to align to the coverage of courts as per the new jurisdictions as opposed to the number of districts;
ii) Facilitate access to legal representation for poor and vulnerable accused persons by: expanding the meaning of legal aid beyond merely providing counsel and imposing an obligation on the Government to provide legal aid to persons entitled to legal aid. This would be realized through the enactment of a Legal Aid Law;
iii) Strengthen investigation and prosecution of Transnational crime through the enactment of the Mutual Legal Assistance Law.
iv) Put in place the requisite regulatory framework to harmonize informal and formal justice systems.
v) Establish robust mechanisms to protect the witnesses, most especially, those required to testify in trials of organized crimes to instill confidence in them. This would require the enactment of the Witness Protection Law to elaborate on the extent and form of protection as well as the responsible actors.

21.7 Programme risk and mitigation

514. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) Perceived corruption, increasing number of administrative units result in stretching of available resources, mismatch in coverage of justice services, irregular release of funds, limited appreciation of non-custodial sentence and ADR, limited uptake of technology, delayed enactment of the requisite laws on mutual legal assistance, legal aid and witness protection remain potential impediments to delivery of justice; and

ii) The Programme shall develop a robust anti-corruption strategy and complaints management framework, regulations and change management on the technology uptake, strengthen coordination and partnerships and undertake advocacy and sensitisation of duty bearers and rights holders on justice service delivery to mitigate the above risks.

CHAPTER 22: LEGISLATION, OVERSIGHT AND REPRESENTATION PROGRAMME

22.1 Introduction

515. **Effective legislation, oversight, and representation promotes and protects good governance through establishing the necessary checks and balances, ensuring alignment with the development aspirations.** Effective legislation provides the legal framework which provides a conducive environment for economic, social, and political activities. Oversight ensures that laws and policies are effectively implemented and public resources are used efficiently and transparently. Representation allows diverse voices, including marginalized communities, to influence policy-making, ensuring that development strategies are inclusive and responsive to the needs of the entire population. Together, these elements help create a governance structure that supports sustainable economic development, reduces poverty, and improves living standards.

516. **Legislation, oversight and representation are central for realizing the plan.** Enactment, review and amendment of appropriate legislation and policies encourages innovation, quality standards, fair trade practices and incentivizes investment in value in the priority growth areas. This also fosters the knowledge economy as it protects intellectual property and establishes frameworks for digital infrastructures. The programme supports the development and maintenance of priority infrastructure such value addition infrastructure, SGR & MGR, GKMA, and stadia for AFCON through appropriation of resources and oversight. Through the representation function, the programme ensures effective appropriation and mobilization of marginalized and local communities to effectively participate in the wealth creation initiatives such as the Parish Development Model (PDM) and EMYOOGA.

517. **This Programme contributes to the realization of the Agenda 2030, the Africa Agenda 2063, the EAC Vision 2050 and the Uganda Vision 2040.** By ensuring alignment of the government expenditure to the original approved budget, the programme contributes to Agenda 2030 (SDG 16.6) which emphasizes development of effective, accountable and transparent institutions. The Africa Agenda 2063 (Goal 2) calls for building strong institutions for development and facilitating the emergence of development oriented and visionary leaders. The EAC Vision 2050 (Aspiration 11 and 12) emphasizes inclusivity & a participatory approach to development and building sound economic institutions, legal and policy frameworks for long-term socio-economic transformation. The Uganda Vision 2040 aims to strengthen the legislative and oversight capacity.

518. **Effective legislation, oversight, and representation is constrained by:** slow legislative processes; weak alignment of plans to the budgets; poor attendance of plenary and committee sessions by MPs and LCs; inadequate capacity of MPs and LCs to carry out their roles; and weak policy, legal, regulatory, institutional and coordination framework.

519. **The goal of the programme is efficient legislation, representation, and accountability for results.**

22.2 Situation Analysis

520. **There has been progress in reducing the turnaround for the enactment of legislation, however, the process is still slow.** There has been an increase in the percentage of bills processed by Parliamentary Committees within 45 days to 76% in FY2023/24 from 64% in FY2022/23. The Local Governments have managed to process 9 ordinances and byelaws against 11 submitted to Local Councils over the same period. KCCA has managed to process 5 ordinances against 11 submitted to the Council of the Authority over the same period. The Uganda Law Reform Commission (ULRC) revised 418 laws against 397 that were planned for FY2022/23, and during FY 2023/2024 after the law revision exercise the Uganda Law Reform Commission revised 350 laws by a comprehensive count this after the entire clean-up of the statute book which arose out the law revision exercise (Miscellaneous Amendments Act, 2022). A bill-tracking system has been established which has enabled fast-tracking the enactment of bills, reducing the time lag between the passing of bills and their submission to the President. However, the legislative process is slow, with limited public participation. The Bill tracking system is scaled down into modules which are supposed to be cascaded down to the respective votes including ULRC to tap into all nodes involved in the value chain of the legislative making processes which include functions like capturing petitions, audit recommendations, committee hearings, resolutions, action taken reports, question, loans, motions and enhancing the research function of the ULRC.

521. 7. **There have been efforts to enhance evidence-based legislation and the capacity of legislative actors, however, the actors still have inadequate capacity, partly contributing to the slow legislative process**. There is improved use of evidence to support legislation through strengthened collaboration and comprehensive collection of data during pre-legislative studies to inform the bill drafting process. Consequently, 35 legislative studies were undertaken in FY2023/24 against 26 planned. There have been arrangements to enhance the capacity of MPs, Parliamentary Commission staff and KCCA councilors based on their skills requirements through induction and continuous staff development which has facilitated compliance with statutory requirements. However, there exists capacity gaps among MPs, KCCA and Local government Councilors which hinders timely evidence-based legislation. Furthermore, there are inadequate skills in legislative drafting in emerging and specialized areas such as oil & gas, emerging digital technologies among others.

522. 8. **There has been improvement in alignment plans to the budget, however, gaps exist.** The proportion of MDA and LG budgets aligned to the NDP improved to 71.4% in FY2023/24 from 54.8% in FY2020/21. However, fiscal indiscipline in form of supplementary budgets have resulted in over spending and diversion of funds from productive areas, leading to low attainment of targeted results. In addition, the system to assess the implementation of

parliamentary and Public Accounts Committee (PAC) recommendations is lacking. Further, the structural alignment of Parliament and Local Council (LC) committees connotes to the sectoral approach to planning which has affected the capacity of MPs and LCs to implement their oversight role.

523. **There is improved attendance of plenary and committee sessions by MPs and LCs;** There is improved attendance of MPs both in Plenary and Committees registered at 84% and 92% in FY 2023/24 from 73% and 87% in FY 2022/23 respectively and improved attendance of Ministers in Plenary sessions of Parliament. There is improved attendance of KCCA Councilors both in Plenary and Committees registered at 67% and 80% in FY 2021/22 to 75% and 89% in FY 2023/24 respectively. However, there is diminished quality and participation in committees: Leadership and membership of the different committees is done by the whips who are on several occasions not technically proficient in constituting the respective committees. This normally breeds professional mismatches in the committee and compromises the quality of their leadership and participation.

524. **There have been efforts to strengthen the institutional and coordination framework of the programme through several programme working group engagements and reporting.** Additional staff were recruited to strengthen the capacity of the Parliamentary Service, a new conference system for 12 committees and meeting rooms was procured, installed, and commissioned to ensure efficient audio-visual recording and management of committees and other parliamentary meetings. Capacity development seminars and workshops for Parliamentary Committee Members, Parliamentary Service staff and Local Councils in five districts in core areas to wit; tailored training course in research methods and report writing, Advanced Editing and Writing Skills training for the Hansard Department, Effective management training of Political Offices, Best practices training for Protocol Officers, Effective Writing Skills training. Purchased vehicles to facilitate the work and activities of Parliament. However, the programme is still affected by capacity gaps of the programme actors to effectively execute their mandate under the programme such as understaffing and limited skills. Other gaps exist due to the outdated digital infrastructure that may be needed to enhance coordination within the programme such as lack of integrated data generation systems, which affects programme assessment. Further, there is still weak collaboration amongst the programme actors to effectively deliver on some interventions such as enhancing legislative processes.

525. **The Legislation, Oversight, and Representation Programme has made significant strides in enhancing the capacity of legislative institutions; however, it continues to face notable human resource challenges.** Key efforts have been directed towards improving the skills of legislators, parliamentary staff, and local government representatives to enhance lawmaking, oversight, and representation. Various training programs have been implemented, focusing on legislative drafting, public policy analysis, and effective representation, supported by

partnerships with academic institutions and development partners. Institutions such as the Uganda Management Institute (UMI), Makerere University, and the Rebecca Alitwala Kadaga Institute of Parliamentary Studies (RAKIPS) have played pivotal roles in providing specialized training. RAKIPS, in particular, focuses on equipping Members of Parliament and staff with essential skills for legislative functions and governance. ESAMI has also contributed by offering management training to public and private sector managers across the region. Despite these advancements, the Programme faces acute shortages in specialized skills, particularly in public financial management, legislative research, and digital governance areas which are essential for modern oversight functions. Additionally, there is limited capacity for robust legislative oversight concerning government program monitoring and public expenditure transparency. Conversely, there is an oversupply of human resources in roles such as general administrative staff, records officers, and ICT support staff, leading to inefficiencies. To effectively meet the Programme's goals over the next five years, targeted measures must be implemented to address these identified imbalances in human resources. For details, refer to the annex of the programme human resource requirements.

526. **To ensure efficient legislation, representation, and accountability for results, this programme focuses on:** increasing effectiveness and efficiency in legislative processes; improving alignment of plans to the budgets; improving the quality of representation at all levels; and strengthening institutional capacity of the programme.

22.3 Programme Objectives

527. The objectives of this programme are to:

i) Increase effectiveness and efficiency in legislative processes;
ii) Strengthen oversight and budget alignment to the NDP;
iii) Enhance effectiveness of representation at all levels; and
iv) Strengthen institutional capacity of the programme.

22.4 Programme Results

528. The Programme thus aims to achieve the following key results by the end of FY2029/30.

i) Improved legislative processes as measured by the proportion of laws enacted against bills presented from 62.7% in FY2023/2024 to 85% in FY2029/2030;
ii) Improved alignment of the national budget to the National Development Plan (NDP) as measured by the Certificate of Compliance (COC) from 71.4% in FY 2023/2024 to 90% in FY2029/2030;
iii) Strengthened accountability of all government institutions as measured by the proportion of unqualified audit opinions from 57% in FY2023/2024 to 70% in FY2029/2030;

iv) Improved responsiveness of Parliament to the needs of the people as measured by the citizen scorecard from 57% in FY2023/2024 to 75%;

v) Improved responsiveness of Local Councils to the needs of the people as measured by the citizen scorecard from 59.2% in FY2023/2024 to 70%% to 75; and

vi) Improved Programme performance from 69% in FY2023/2024 to 90% in FY 2029/2030.

22.5 Interventions

529. To achieve the above results, the following interventions (Table 22.1) have been prioritized under this Programme.

Table 22.1: Interventions under the Legislature, Representation and Oversight Programme and respective actors

Interventions	Actors
Objective 1: Increase effectiveness and efficiency in legislative processes	
1. Develop and upgrade legislative tracking systems	Parliamentary Commission, MoLG, ULRC, MoJCA, KCCA
2. Implement peer review mechanisms for subsidiary legislation	MoLG, KCCA
3. Strengthen legislative reviews and updates	ULRC
4. Ratify international treaties	Parliamentary Commission
5. Hold collaborative legislative drafting sessions among actors	Parliamentary Commission, MoLG, ULRC, MoJCA, KCCA
6. Fast-track legislative business at plenary and committee level	Parliamentary Commission
7. Strengthen citizen participation in legislative processes a. Develop a citizen and CSOs consultation and engagement framework on legislative processes b. Operationalize the Parliament-CSO cooperation engagement framework for Civil Society Organizations to participate in parliamentary processes c. Roll out Parliamentary digital platforms for public participation (Parliament App, Web TV, social media platforms)	Parliamentary Commission, MoLG, ULRC, MoJCA, KCCA
Objective 2: Strengthen oversight and budget alignment to the NDP	
8. Strengthen the capacity of Parliament and Local Councils to scrutinize and approve budgets. a. Sensitize Members of Parliament on budgeting and planning compliance assessments b. Train members of parliament and Local councils on budget analysis and scrutiny c. Conduct learning exchange visits on budget implementation at the international and regional level.	Parliament, MoLG, KCCA
9. Strengthen mechanisms for Parliamentary and local council oversight function a. Conduct oversight field visits b. Debate and consider petitions submitted to parliament/Local councils c. Provide technical support to accountability committees during discussion of audit reports. d. Enhance the Capacity of the OAG-Parliamentary Liaison Department e. Undertake timely verification audits of treasury memoranda issued by Ministry of Finance, Planning and Economic Development	Parliament, MoLG, KCCA, OAG

f. Strengthen legislation implementation through adequate budgetary appropriation	
10. Develop a system to monitor budget implementation and compliance.	Parliament
11. Strengthen follow-up mechanisms for budgetary actions a. Track and document actions on budget-related recommendations b. Prepare a report on the recommendations of Parliament on the Ministerial Policy Statements	Parliament
12. Institute measures for collaborative budget decision-making and monitoring among stakeholders a. Develop a citizen consultation and engagement framework on budget processes b. Conduct citizen consultative meetings to gather views in the budget proposals	Parliament, MoLG, KCCA
Objective 3: To enhance the effectiveness of representation at all levels	
13. Strengthen the whipping mechanisms for both plenary and committees a. Track attendance of MPs in plenary and Committees b. Track annual committee attendance of MPs in local council meetings c. Track responses by Ministers to MPs' issues raised during plenary	Parliament
14. Strengthen engagements between Parliament, local councils and the citizens d. Develop a framework for regular engagement between Parliament, Local Councils, and the citizens.	Parliament, MoLG, KCCA
15. Participate in regional and international fora	Parliament, MoLG, KCCA
Objective 4: To strengthen institutional capacity for legislation, oversight and representation.	
16. Develop physical infrastructure for programme operations.	Parliament
17. Develop and upgrade digital infrastructure for programme operations.	Parliamentary Commission,
18. Strengthen the capacity of programme actors to undertake their mandate a. Conduct inductions for new MPs and Local councilors b. Update the Rules of Procedure of Parliament to facilitate effective scrutiny c. Promote knowledge sharing and best practices among programme actors.	Parliamentary Commission, MoLG, ULRC, MoJCA, KCCA, OAG
19. Strengthen the production and utilization of evidence for Parliament and Local Council business a. Provide access to up-to-date data and analytical tools. b. Initiate partnerships and collaborations with academic, research institutions and think tanks	Parliamentary Commission, MoLG, KCCA
20. Strengthen the programme secretariat d. Hold technical and program working group meetings e. Hold annual and Midterm programme review workshops f. Settle all Statutory Obligations and Administrative operational Overheads	Parliamentary Commission, MoLG, ULRC, MoJCA, KCCA, OAG

Source: Programme secretariat, 2024

22.6 Implementation Reforms

530. The key implementation reforms required to fully implement this Programme and realize expected goals in the next five years are:

i) Review Parliamentary Committee structures to align them with the programme-based approach.

22.7 Programme risk and mitigation

531. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

   i) **Inadequate cooperation with the other Arms of Government (Executive and Judiciary):** this risk may occur where there is deficient cooperation between the three Arms of Government. Impact of this risk is high because it leads to delays in decision making and slow down legislative processes. This can also lead to delays in passing relevant legislation, delays in implementing essential policies and reforms thereby undermining the ability of the programme to operate efficiently. Likelihood of this risk occurring is high. To mitigate this risk, the programme shall foster cross-party dialogue through joint committees, working groups, and informal meetings. The Programme shall also promote a culture of political tolerance through education and public engagement to enhance cooperation.

   ii) **Negative publicity:** Misinformation can lead to loss of public confidence in the legislature which in turn reduces international credibility, and creates opportunities for exploitation by external or internal actors. The likelihood of this occurring is high especially with the increased usage of digital platforms. To mitigate this risk, the Programme shall aim to strengthen mechanisms for increased transparency through public legislative proceedings and outreaches.

   iii) **Weak institutional capacity in form of insufficient resources, poor infrastructure, or a lack of skilled staff can limit the ability of the Programme to carry out its duties effectively.** This can slow down legislative processes, reduce the quality of debates and policy making, and lead to poorly drafted laws that do not address key societal issues. To mitigate this risk the programme shall focus on providing continuous training and development for legislative staff, particularly in areas such as policy analysis, research, and technology. Upgrade legislative facilities, technology systems, and operational tools to improve efficiency. Strengthen support services like legal research, policy drafting, and constituency relations to improve the quality of legislative output.

CHAPTER 23: DEVELOPMENT PLAN IMPLEMENTATION

23.1 Introduction

532. **Effective planning, financial accountability, implementation oversight, resource mobilization, and systematic budgeting are crucial for achieving development goals.** Effective planning ensures that development goals are clearly defined, resources are allocated efficiently, and efforts are well-coordinated across government. Mobilization of domestic and international funds supports various development projects, while precise budgeting aligns expenditures with strategic objectives. Oversight not only guarantees judicious utilization of resources but also safeguards against mismanagement, corruption and inefficiencies that could derail development goals. Additionally, robust monitoring and evaluation processes, supported by comprehensive statistical data, enable the timely assessment of progress and the adjustment of strategies. This approach ensures that outcomes are measured accurately, thereby driving sustainable economic growth.

533. **The programme provides a clear and structured approach to achieving the results outlined in national and subnational development plans.** It ensures that all government actions and resources are aligned with the NDP priorities such as modern railway, energy infrastructure, industrial parks, PDM, EMYOOGA, GKMA and AFCON. It facilitates coordination among state and non-state actors, ensuring that efforts are not duplicated and resources are used efficiently. It provides mechanisms for evidence-based planning, monitoring and evaluating the progress of development initiatives. Implementing a structured development plan helps rationalize the allocation and utilization of resources and provides a framework for budgeting and financial management, which are crucial in ensuring that funds are directed toward priority areas and accountability. Certainty in the government's development priorities and a structured approach to achieving them boost investor confidence. The programme allows for adaptive management strategies that can respond dynamically to these challenges, ensuring resilience and sustainability.

534. **The programme contributes to the international, regional and national development agenda.** SDGs 16 and 17 seek to develop effective, accountable and transparent institutions enhancing policy coherence, encouraging & promoting public and public-private & civil society partnerships. Agenda 2063 (Goals 12, 19, 20) advocates for capable institutions, functional statistical systems, and innovative financing. The EAC Vision 2050 advocates for effective, accountable, and inclusive institutions at all levels. The Uganda Vision 2040 emphasizes the “business approach” to the implementation of government programmes.

535. **Implementation of the National Development Plan to achieve the national priorities is hindered by:** inadequate development planning capacity; inadequate domestic revenue generation; fiscal indiscipline; weak M&E systems to track progress; weak coordination of

implementation; underdeveloped systems for statistical development; and weak legal, policy, institutional, and coordination framework.

536. **The goal of this programme is increased performance of the National and Subnational Development Plans.**

23.2 Situation Analysis

537. **Successful implementation of the plan is a function of addressing all facets of the implementation cycle**. The cycle revolves around development planning, budgeting, resource mobilization, coordination of implementation, auditing & accounting, statistical collection, research, and monitoring & evaluation. The status of the development plan implementation is underpinned by several factors as discussed below.

538. **Development planning capacity has improved; however, it is still a challenge at decentralized planning levels.** By FY2023/24, 93% of Ministries, Departments, and Agencies (MDAs) and 97.7% of Local Governments (LGs) had plans aligned to the NDPIII, however, there was a time lag in the alignment. In the first year of the Plan (FY2020/21), only 37.8% MDAs and 28.4% LGs had complied. In addition, some of the plans were not sufficiently meeting the required standards including Cross-cutting issues like Gender and equity, Climate Change, employment, etc. This was primarily due to weaknesses in planning capacity, delays in transitioning from a sector-wide approach to a program-based planning approach, and the lack of synchronization between vote planning frameworks and NDP programmes. Further, the insufficient capacity within MDAs to prepare projects has contributed to poor project execution, slow acquisition of right of way for infrastructure projects, absence of relevant feasibility studies, delays in procurement, and inadequate counterpart funding. For instance, only 35% of Public Investment Program (PIP) projects were implemented on time in FY2022/23. In particular, the performance of externally funded projects has been suboptimal, with a significant portion of the committed funds remaining undisbursed. As of March 2023, out of a total commitment of USD 10 billion across 123 externally funded projects, only USD 5.8 billion was achieved.

539. **Progress has been made in raising domestic revenue, however, it is inadequate to support the implementation of development plans**. Domestic revenue collection has improved, reaching a revenue-to-GDP ratio of 13.6% in FY2023/24 from 12% in FY2017/18. This progress was driven by enhanced tax administration, improved tax policy measures, and stricter enforcement of non-tax revenues. However, domestic revenue is still low, supporting only 52.6% of the national budget in FY2023/24. Consequently, the debt-to-GDP ratio has increased to 46.9% in FY2023/24 from 34.6% in FY2017/18, raising concerns about debt sustainability, especially with rising repayment obligations that limit fiscal space for critical development priorities. Efforts to increase domestic revenue, such as the Domestic Revenue Mobilization Strategy have been undertaken, however, slow implementation has hindered

their impact. Additionally, innovative financing sources such as climate financing, Islamic financing, and diaspora bonds have not been fully exploited.

540. **Efforts have been made to control fiscal indiscipline, however, over-reliance on supplementary budgets and accumulation of domestic arrears undermine budget credibility**. The implementation of the Public Financial Management reforms has been key in establishing frameworks for better control over public expenditures. However, frequent resort to supplementary budgets has become a significant issue, increasing to 7.4% in FY2022/23 from 5.0% of the budget in FY2018/19, which is way above the required threshold of 3%. These supplementary budgets distort the integrity of the budget by diverting funds from critical productive sectors and undermining the successful implementation of the plans. Further, domestic arrears have been reduced to Shs. 2.7 trillion in FY2022/23 from Shs. 2.8% in FY2017/18. However, they are still high, tying up resources that could otherwise stimulate private sector growth.

541. **There have been reforms to improve the monitoring & evaluation systems, however, these have not been fully operationalized**. The Integrated NDP M&E system, which aims to inform the National Development Report (NDR) and Government Annual Performance Report (GAPR), has been partially operationalized with training at the central government level and integration with the Integrated Bank of Projects. However, it remains unintegrated with IFMIS and has not yet reached Local Governments. The capacity enhancement of the OPM to undertake M&E was not actualized. The FY2022/23 Auditor General's report highlighted that only 40% of planned indicators are effectively monitored and only 30% of government projects have adequate M&E plans. Local Governments still lack functional data systems and the Community Information System (CIS) is non-operational. The Programme-Based System (PBS) has not yet fully transitioned to the NDPIII programme approach especially for Local Governments, causing misalignment with the Public Financial Management (PFM) system.

542. **There have been reforms to improve the coordination of the implementation of NDPs, however, these have to be strengthened**. One of the objectives of introducing the programme approach is to improve coordination among programme actors to focus on delivering common results. All programmes have fully constituted and operational Programme Working Groups (PWGs) as of FY2023/24. However, there is limited capacity to mobilize and ensure cohesion among stakeholders within programmes. In addition, the intended bi-annual performance reviews of the programmes have not been implemented. Further, the coordination structures at OPM are not fully operationalized as intended. In particular, the APEX platform which was aimed at improving supervision and oversight of the Plan has had limited impact due to the secretariat's failure to regularly convene to review and act on various reports and produce the expected oversight reports. This has partly

contributed to the dismal performance in regards to the implementation of NDP, with only 29% of the expected results delivered by 2022/23.

543. **There has been improvement in the national statistical system, however, gaps persist which undermine the effective monitoring of the planned results.** There has been digitization of statistical data collection including the flagship 2024 census, development of plans for the national statistical development, and deployment of statisticians across MDAs, among other achievements. However, administrative data systems remain manual and disjointed, and non-traditional data sources like big data have not been fully leveraged leading to incompleteness and untimeliness of data partly due to limited statistical infrastructure. Furthermore, there are still discrepancies between existing statistical frameworks and the data needs of the NDP, particularly regarding disaggregation, which hampers effective decision-making and inclusive development. Further, there is inadequate geospatial metadata across government agencies, which limits the full operationalization of the National Spatial Data Infrastructure (NSDI) and its capacity to support physical development planning.

544. **There is an increase in research output and funding, however, majority of it is academic with remote application to development planning and implementation**. This has been partly due to the delay in approval of the National Research Framework which has restricted the development of a comprehensive National Research Agenda. This lack of coordination and effectiveness in research and evaluation has affected the formulation of development plans and their implementation.

545. **Weak legal, policy, institutional, and coordination framework in Uganda's development plan implementation has hindered effective service delivery**. While the program-based approach has helped reduce the silo mentality among institutions in the same service delivery chain, significant gaps persist. Key issues include understaffing in Ministries, Departments, and Agencies (MDAs), which affects the execution of plans and policies, and data gaps combined with conflicting legal frameworks that limit informed decision-making. Additionally, poor coordination has led to duplication of efforts among institutions, wasting resources and reducing efficiency. Conflicting roles among Monitoring and Evaluation (M&E) actors further complicate matters, as unclear responsibilities create confusion over who does what. Resolving these issues is essential to improving coordination, accountability, and the overall effectiveness of Uganda's development efforts.

546. **Progress has been made in capacity building across MDAs and LGs, however, substantial human resource gaps remain.** Critical shortages are particularly apparent in the areas of planning, monitoring and evaluation (M&E), financial management, and project management. For instance, by 2030, it is projected that Uganda will require approximately 460 specialized planners across various sectors and MALGs to ensure effective coordination and integration of development plans. However, only around 120 qualified planners are

currently available. Similarly, the DPI program anticipates needing about 1,050 monitoring and evaluation specialists who are not readily available. Effective implementation of Uganda's National Development Plans, including NDPIV and the attendant NHRDP, requires a robust and well-coordinated human resource base across all sectors and levels of government. The Development Plan Implementation (DPI) Program is critical to ensuring that the strategic objectives and goals outlined in these plans are successfully executed. However, the achievement of these goals is contingent upon addressing several human resource challenges that currently impede efficient plan implementation. Other areas where the country faces critical acute human resource shortages include financial managers, procurement experts, and project managers, all of which are essential for ensuring efficient resource allocation, transparent procurement processes, and timely project delivery. These shortages hinder the ability of MALGs to effectively implement development plans, monitor progress, and evaluate outcomes, thereby affecting the overall performance of the DPI program. Conversely, there is an oversupply of personnel in less specialized roles, such as administrative support staff and data entry clerks. For instance, the DPI program has reported an excess of approximately 1,800 administrative personnels, which represents a significant imbalance when compared to the more technical roles that are in short supply. This oversupply of general staff contrasts sharply with the acute need for specialized professionals capable of driving development initiatives. For details, refer to the annex on programme human resource requirements.

547. **To ensure improved performance of the Plan, this programme focusses on: effective planning, resource mobilization, systematic budgeting, implementation, performance & financial accountability.** Enhancing development planning capacity; increasing domestic revenue generation; strengthening fiscal discipline, strengthening M&E systems to track progress; strengthening coordination of implementation; strengthening statistical systems for development planning; and strengthening legal, policy, institutional, and coordination framework.

548. **The goal of this programme is increased performance of the National Development Plan.**

23.3 Programme Objectives

549. The objectives of this programme are to:

i) Strengthen capacity for evidence-based development planning across Government;
ii) Enhance resource mobilization to finance the National Development Plan;
iii) Strengthen budgeting and accountability systems;
iv) Strengthen oversight and coordination and M&E across Government; and
v) Strengthen the legal, policy, institutional, and coordination capacity of the DPI programme.

23.4 Programme Results

550. The key results to be achieved under this Programme include:

i) Improved statistical performance from 70.74 % in FY2023/24 to 76.1 %;
ii) Reduced external resource envelope as a percentage of the National Budget from 47.7% in FY2023/24 to 12.7%;
iii) Increased revenue-to-GDP ratio from 14.5% in FY2023/24 to 18.3%;
iv) Increased savings as a proportion of GDP from 20.54% in FY2023/24 to 25%;
v) Improved Budget transparency index from 59 in FY2023/24 to 80;
vi) Reduced fiscal deficit as a percentage of GDP from -7.7% in FY2023/24 to -0.8%;
vii) Increased percentage of the NDP results on target from 29% in FY2023/24 to 80%; and
viii) Increased programme performance from 52% in FY2023/24 to 85%.

23.5 Interventions

551. To achieve the above results, the following interventions (Table 23.1) have been prioritized under this Programme.

Table 23.1: Development Plan Implementation interventions and respective actors

Interventions	Actors
Objective 1: Strengthen capacity for evidence-based development planning across Government	
1. Focus economic policy towards growth and employment creation a. Appropriate fiscal and monetary policy formulated and economy continuously monitored to ensure inclusive economic growth and macroeconomic stability b. Harmonize economic and financial policies to achieve the East African Monetary Union and to maintain programs with international financial institutions c. Undertake macroeconomic modelling and forecasting d. Undertake training in economic modelling e. Undertake employment-based planning and budgeting f. Make employment creation a major target for monetary policy instruments	MoFPED, NPA, BOU
2. Build capacity in development planning at all levels of government. a. Equip and train MDAs, LGs, and PWGs to align their plans to the NDPs b. Undertake training in planning and budgeting for cross-cutting issues including gender and equity c. Develop and implement a change management program d. Develop and implement a communication and dissemination strategy for the NDP e. Undertake intensive and extensive consultations and development of NDPs f. Design and operationalize a digital system to support the development of plans at all levels of government	NPA, EOC, MoFPED, and LGs
3. Strengthen the PIMs framework to improve the efficiency of public investments a. Coordinate the Strategic functions of the Development Committee b. Undertake training in project preparation and contracts management c. Support Pre-feasibility and Feasibility studies in priority NDPIV projects/areas (Project Preparatory Facility) d. Undertake training in structuring and implementing PPPs	MoFPED, NPA, PPDA
4. Generate and use statistical data to inform development plans at all levels	UBOS, NIRA and LGs,

Interventions	Actors
a. Develop and implement the Long-term censuses and surveys Plan. (UDHS, Agricultural census, labour force survey) b. Harmonize and integrate statistical systems for administrative and geospatial data. c. Leverage non-traditional data sources such as big data and blockchain technology d. Support the development of Strategic Statistical plans and Statistical abstracts for MDA and LGs e. Capacitate MDAs and LGs to produce and disseminate quality and timely gender disaggregated administrative data f. Integrate and validate the metadata for the Geospatial web portal to enhance integrated planning g. Update the integrated identification system with more third-party interfaces h. Provide high-frequency labour and employment statistics	MoICT&NG, NPA
5. Strengthen the research and evaluation function to inform development planning and plan implementation across all government units. a. Develop and implement the national development planning research agenda b. Equip and train relevant MDAs in Big Data Analytics, Machine learning, Artificial Intelligence c. Develop and disseminate policy advisory	MoFPED, MoPS, NPA, STI-OP, and URA.
Objective 2: Strengthen resource mobilization to finance the national development plan	
1. Enhance domestic revenue mobilization through sustainable tax revenue policy and administration a. Implement a proactive framework for managing tax exemptions b. Implement the Tax compliance improvement and trade facilitation initiatives c. Establish and implement the National Tax Academy d. Fast-track the development and implementation of the national tax policy e. Implement the revised tax expenditure governance framework to limit leakages and improve transparency f. Fast-track the implementation of the Domestic Revenue Mobilisation Strategy (DRMS) g. Implement the extractive industry transparency initiatives and recommendations	MoFPED, URA
2. Strengthen Local Government Revenue Mobilization a. Implement KCCA, cities, and LGs own-source revenue strategy b. Support LGs to develop and implement LG-specific revenue plans per the LG own source revenue strategy	LGFC, MoLG, KCCA, LGs
3. Strengthen the capacity of public institutions to collect NTR a. Harmonize the policy and institutional framework for collection and management NTR b. Implement and monitor commitment agreements with NTR collecting agencies c. Implement non-tax revenue enhancement measures for the National Lottery and Gaming d. Implement measures that reduce leakage of gaming taxes	MoFPED, NLGRB
4. Increase access to non-traditional finance such as green finance and Islamic finance among others a. Mobilize bilateral and multilateral resources for national development b. Structure Financing Agreements in accordance to the Public Debt Management Framework Mobilize climate and green financing c. Mobilize climate and green financing d. Train and equip players in negotiating climate finances from different sources e. Implement Public Investment Financing Strategy (PIFS)	MoFPED, URBRA and MOFA
5. Strengthen the framework for managing public debt to ensure transparency and sustainability	MoFPED

Interventions	Actors
a. Update the public debt management framework b. Implement the public debt management strategy to ensure debt sustainability c. Fast-track implementation of retirement sector reforms to support sustainability for catalyzing the growth of long-term finance in Uganda.	
6. Align NGO and Development partner financing to national priorities. a. Develop and align GoU development partner country strategies to the NDP b. Implement and monitor projects/programs within the agreed strategies c. Report on performance and outcomes of development partner cooperation	MoFPED
Objective 3: Strengthen Budgeting and Accountability Systems	
1. Strengthen the alignment of the MDAs and LGs Budgets to NDP priorities during budget preparation and execution. a. Identify and address gaps(CoC) in alignment between budget and the national plan during budget preparation and execution b. Update the Certificate of Compliance Framework to include CCIs, employment and other developments in the planning framework c. Assess Programmes and MDAs and LGs on compliance with gender and equity-responsive budgeting d. Research, Assess, compile and disseminate the Annual report on the state of equal opportunities in Uganda e. Undertake dialogue and stakeholder engagement activities to make the budget more inclusive and accountable (National Budget preparatory activities) f. Scrutinize and estimate financial implications for proposed legislations and policies g. Train and equip MDAs, LGs, and Missions abroad in planning and budgeting	MoFPED, EOC and NPA
2. Strengthen budget execution across government a. Implement the cash management framework and the PBS cash management module b. Train and equip MDAs and LGs in cash flow Projections, implementation of public procurement regulations and guidelines, and contract management c. Promote and implement sustainable public procurement d. Develop and continuously update the unit pricing framework for public goods and services. e. Conduct budget analysis and monitoring to ensure compliance of the budget to the NDP	MoFPED, MoLG, NPA, PPDA and KCCA
3. Strengthen reporting and accountability systems across government a. Manage and report on the performance of the Petroleum Fund b. Undertake treasury inspection services for the whole-of-Government on PFM policy matters c. Provide Technical Support and guidance to MDALGs and the oversight Committees of Parliament on PFM Policy matters to improve reporting and accountability d. Implement the asset management framework across Government e. Deploy and rollout PFM systems across all MDAs, LGs and diplomatic missions to enhance transparency and accountability	MoFPED, MoLG
Objective 4: Strengthen Oversight and Coordination and M&E across Government	
1. Strengthen Intra and Inter-Programme coordination. a. Operationalize the NDP coordination Architecture b. Operationalize NDP multi-stakeholder platforms (CSO, Development Partners, Private sector, academia, UNAP III, PIRT, NDPIV, ATMS, PDM, OAG, APEX, PACOB, Manifesto, Food Systems agenda, and disaster) c. Operationalize partnerships and governance for NDPIV implementation (National Partnership Policy, UN Sustainable Development Cooperation Framework)	MoFPED, OPM

Interventions	Actors
d. Coordinate the national, regional, continental and global development frameworks (SDGs Agenda 2030, EA Agenda 2050 and Africa Agenda 2063).	
2. Strengthen the oversight function across government. a. Train and equip the APEX Secretariat to effectively coordinate APEX activities b. Train and equip MDAs and LGs to undertake high-quality, Specialized and impact-driven audits c. Undertake value for Money (Performance) audits, specialized audits, forensic investigations, IT Audits and special audits of key Government programmes d. Conduct audit quality management and compliance with international auditing standards e. Conduct oversight, monitoring, and inspection of Government policies, programs and projects to strengthen implementation of NDP	OP, MoFPED, OAG
3. Strengthen the M&E function across government. a. Conduct and disseminate MTR of NDPIV, MTR of Vision 2040, End Term Evaluation of NDPIII b. Conduct high-level strategic policy impact Evaluations c. Conduct Government Performance Assessments (NAPR) and NDR to inform policy actions d. Build the Monitoring &Evaluation Capacity in MDAs, LGs NGOs and PSOs e. Implement reporting frameworks on Government commitments f. Coordinate the implementation of flagship projects g. Roll out the NDP web-based M&E system across government	OPM, NPA, KCCA and LGs
4. Coordinate APRM processes and follow up on National Programme of Action a. Carry out an APRM Country Self-Assessment, targeted reviews, and detailed Country Review b. Coordinate the implementation of AUDA-NEPAD initiatives.	NPA, MoFPED, MOFA
Objective 5: Strengthen the legal, policy, institutional, and coordination capacity of the DPI programme	
5. Strengthen the institutional capacity for programme institutions to ensure effective and efficient service delivery a. Carryout administrative and support services (Baseline Expenditure) b. Review and Harmonize Laws and Regulations to improve Public Finance Management (PFM) Practices (i.e. PFMA and LG Act) c. Review the Retirement Benefits sector legal and supervisory framework d. Coordinate DPI programme during planning, budgeting and reporting	DPI votes

Source: Programme Secretariat, 2024

23.6 Implementation Reforms

552. The key implementation reforms required to fully implement this Programme and realise expected goals in the next five years include:

i) **Strengthening the Institutional Framework for Coordination.** To improve the coordination and reporting of NDPIV implementation, the capacity of the Office of the Prime Minister (OPM) must be strengthened, addressing the challenges of weak capacities and understaffed coordination departments highlighted in the NDPIII review. Streamlining the Institutional Framework for Coordination of Policy and Program Implementation (IFCPPI) is essential, with clear roles and responsibilities established for key institutions like the OPM, National Planning Authority (NPA), and Ministry of Finance, Planning, and Economic Development (MoFPED). Enhanced coordination through defined committees, such as the Policy Coordination and Technical Implementation Coordination Committees, will improve alignment, reduce fragmentation, and boost accountability;

ii) **Enhancing Capacity and Resources for Coordination Unit (Programme Secretariats).** The NDPIII mid-term review identified gaps in staffing and resources within the coordination units at the OPM and other ministries, hindering the effective implementation of NDPs. To address this, there is a need to recruit qualified personnel, particularly Programme Coordinators with adequate experience in public sector management. Additionally, providing these units with the necessary resources, tools, and support will enable them to fulfill their roles effectively. Strengthening the capacity of these units is essential for fostering collaboration among different stakeholders and enhancing the overall efficiency of program implementation; and

iii) **Reforms to Improve Administrative Data Systems.** To improve administrative data systems in Uganda, routine audits should be introduced to assess accuracy, completeness, and relevance, with mechanisms for continuous improvement based on audit feedback. Digital transformation is essential, prioritizing the digitalization of data processes across MDAs to reduce manual errors and enhance accuracy. Advanced technologies like cloud computing, blockchain, and AI should be adopted to manage data in real-time, improving data integrity. Additionally, integrated digital platforms and interoperability standards must be established to enable seamless real-time data sharing and ensure efficient coordination across government agencies.

23.7 Programme risk and mitigation

553. Some of the potential risks that may impede the achievement of the desired results of the programme, along with the corresponding mitigation measures, include:

i) **Silo Approach to Planning and Budgeting.** The risk of a silo approach in planning and budgeting threatens the success of coordination reforms under Uganda's Programme-Based Approach. This issue arises from a lack of integrated efforts across various sectors, leading to fragmented decision-making. The likelihood of this risk occurring is high, and the impact is significant, as it could undermine the collective effectiveness of national development initiatives. To mitigate this, deepening change management is essential, along with establishing a central coordination mechanism for planning. This mechanism should have clearly defined roles and responsibilities to ensure a unified approach to development;

ii) **Insufficient Data and Information for Planning.** Insufficient data availability presents a critical risk to the effective implementation of Uganda's National Development Plan. Inaccurate or incomplete data hampers evidence-based decision-making, leading to suboptimal outcomes. The likelihood of this risk is high, with a substantial impact on the ability to plan and allocate resources efficiently. Mitigating this risk requires improving data collection systems and strengthening the statistical capacities of government agencies. Emphasizing data-driven planning will also ensure that policies and strategies are based on accurate and comprehensive information;

iii) **Limited Capacity in Planning Functions Across Government.** A medium likelihood risk facing Uganda's development program is the limited capacity within government planning functions. This shortfall can lead to delays and inefficiencies in executing key projects and policies. The impact is high, as it can compromise the quality and timeliness of development outcomes. To mitigate this risk, investments in capacity-building programs are necessary, targeting planners at different levels of government to equip them with the skills and knowledge needed for effective planning and implementation;

iv) **Dependency on External Financing.** Uganda faces a high likelihood of risk from its heavy dependency on external financing for development projects. This reliance makes the country vulnerable to external shocks, such as changes in donor priorities or economic downturns in donor countries. The impact of this risk is significant, as it could disrupt funding for critical projects. Mitigation measures include diversifying revenue sources by improving tax systems and broadening the tax base to reduce dependence on external funding;

v) **Public Debt Increasing Beyond Manageable Levels.** The risk of public debt escalating beyond sustainable levels is of medium likelihood but poses a high impact threat to Uganda's fiscal stability. If not managed carefully, an excessive debt burden could limit the government's ability to finance development projects and service debt obligations. To mitigate this, the government must implement strict debt management strategies, ensure transparency in borrowing practices, and prioritize sustainable loans that will not jeopardize the country's economic health;

vi) **Budget Overruns and Unplanned Expenditures.** Frequent budget overruns and unplanned expenditures represent a high likelihood risk to the efficient implementation of Uganda's development plan. These financial inefficiencies can divert resources from priority areas and lead to fiscal imbalances. The impact of this risk is high, potentially stalling development projects. Mitigation measures include strengthening budget oversight, improving fiscal discipline, and conducting regular audits to monitor expenditures and prevent overruns;

vii) **Weak Accountability and Governance.** Weak governance and accountability within Uganda's public sector present a medium likelihood risk that could severely undermine the success of development initiatives. The impact of this risk is high, as it can lead to misallocation of resources, corruption, and poor project outcomes. Mitigating this risk requires the strengthening of internal controls and enforcing strict accountability mechanisms to ensure that public funds are used appropriately and effectively;

viii) **Poor Monitoring and Evaluation Systems.** Inadequate monitoring and evaluation (M&E) systems are a high-likelihood risk that could limit the ability to track progress and assess the effectiveness of development programs. The impact, while medium, is critical for ensuring that projects are on track and delivering expected results. To mitigate this risk, it is necessary to strengthen M&E frameworks and build capacities in tracking and reporting project progress. This will enable timely interventions where necessary;

ix) **Delays in Project Implementation.** Delays in the implementation of development projects pose a high likelihood and high impact risk to Uganda's development efforts. These delays can arise from inefficiencies in project management, procurement issues, or resource bottlenecks, causing cost overruns and missed deadlines. Mitigation strategies should focus on enhancing project management skills and establishing early-warning systems to detect and address delays before they escalate; and

x) **Delayed Approval of Policy and Legal Frameworks.** The delayed approval of essential policy and legal frameworks poses a medium likelihood risk that can have a moderate impact on the implementation of development programs. These delays can slow down the adoption of reforms and regulatory changes needed to support national priorities. To mitigate this risk, policy and legal approval processes need to be expedited, ensuring that essential frameworks are put in place without unnecessary delays.

PART IV: COSTING, FINANCING, RISK MANAGEMENT, IMPLEMENTATION COORDINATION, AND MONITORING AND EVALUATION

CHAPTER 24: COSTING AND FINANCING OF NDPIV PROGRAMMES

24.1 Overall Cost of the Plan

554. The overall cost of financing the planned programme interventions over the 5 years is estimated at around UGX 593,646 billion of which UGX 413,206 trillion is contribution by the Public while UGX 180,439 billion is private sector contribution. This means that 69.6% of the total resources expected to finance the NDPIV will be from GoU consolidated budget while 30.4% is expected from the private sector as shown in Table 23.1 below.

Table 24.1: Overall Cost of the Plan (UGX Billion)

Financing Sources	Total	2025/26	2026/27	2027/28	2028/29	2029/30
Public Sector	413,206	67,797	73,873	81,660	90,227	99,649
% of Total Costing	69.6%	73.5%	71.3%	70.5%	68.8%	66.1%
Private Sector	180,439	24,494	29,672	34,220	40,944	51,109
% of Total Costing	30.4%	26.5%	28.7%	29.5%	31.2%	33.9%
Total Costing	**593,646**	**92,291**	**103,545**	**115,881**	**131,170**	**150,759**

Source: National Planning Authority, 2024

555. The total cost of implementing the NDPIV is cut across the different programmes, of which 24.6% (UGX 146,129 billion) to "Interest, Debt Payments & Domestic Refinancing", 18.7% (UGX 111,213 billion) to the "Human Capital Development programme", 13.7% (UGX 81,554 billion) is expected to go to implementation of the "Integrated Transport Infrastructure and Services programme", 9.9% (UGX 58,637 billion) to the "Governance and Security programme", 5.4% (UGX 32,349 billion) to the "Agro-industrialization programme", while 21.7% is distributed across the remaining programmes as shown in the table below.

Table 24.2: Overall Cost of the Plan by Programme 2025/26 - 2029/30 (Shs. Billion)

Programme	Total	2025/26	2026/27	2027/28	2028/29	2029/30
Agro-Industrialisation	32,349	5,199	5,368	6,097	7,118	8,567
Sustainable Petroleum and Minerals Development	22,753	2,098	3,145	4,356	5,829	7,325
Manufacturing	8,872	1,001	1,257	1,678	2,170	2,765
Tourism Development	19,263	1,958	2,732	3,885	4,821	5,867
Climate Change, Natural Resource, Environment and Water Management	4,234	623	637	780	979	1,215
Private Sector Development	31,672	4,411	5,741	6,334	7,102	8,085
Sustainable Energy Development	15,243	1,777	2,417	2,824	3,697	4,527

Programme	Total	2025/26	2026/27	2027/28	2028/29	2029/30
Integrated Transport Infrastructure and Services	81,554	11,950	13,644	15,515	17,843	22,601
Sustainable Urbanisation and Housing	3,029	327	382	569	777	974
Digital Transformation	9,118	953	1,173	1,628	2,263	3,100
Human Capital Development	111,213	18,539	20,017	21,334	23,970	27,352
Innovation, Technology Development and Transfer	7,406	705	843	1,356	1,871	2,632
Public Sector Transformation	2,120	294	345	431	467	583
Governance and Security	58,637	9,974	10,991	11,921	12,573	13,179
Regional Balanced Development	12,326	1,791	2,002	2,361	2,867	3,305
Development Plan Implementation	11,573	2,066	2,177	2,298	2,435	2,597
Administration of Justice	2,998	534	564	599	629	672
Legislation, Oversight & Representation	6,283	1,122	1,187	1,266	1,314	1,394
Sub-Total	**440,643**	**65,322**	**74,621**	**85,233**	**98,726**	**116,740**
Interest, Debt Payments & Domestic Refinancing	146,129	26,446	27,768	29,156	30,614	32,145
Domestic Arrears	4,900	200	800	1,100	1,400	1,400
Appropriation in Aid/Local Revenue	1,974	323	356	391	430	473
Grand Total	**593,646**	**92,291**	**103,545**	**115,881**	**131,170**	**150,759**

Source: National Planning Authority, 2024

24.2 Public Financing Sources

556. The public sector is projected to be the predominant source of financing, contributing UGX 413,206 billion over five years. This represents an average of approximately 69.6% of the total cost of the Plan. The annual contribution from the public sector displays a steady growth, starting from UGX 67,797 billion in 2025/26 and increasing to UGX 99,649 billion by 2029/30.

557. Government should prioritize the implementation of strategies that increase resources available to finance public investment as laid out in the Domestic Revenue Mobilization Strategy (DRMS). Domestic revenue mobilization is the only sustainable way to increase additional space for sustainable budget expenditures, foster national ownership and reduces dependency on external assistance. This involves broadening the tax base by identifying and tapping into new sources of revenue, enhancing efficiency in revenue collection by minimizing leakages and ensuring compliance through improved enforcement mechanisms,

and reviewing tax exemptions to ensure that the existing ones are performing exactly among other things.

24.2.1 Public Sector Costing by Function 2025/26 - 2029/30

558. Public costing by function is comprised of wage, recurrent and development expenditure. The wage bill is substantial, totalling UGX 53,089 billion (12.8% of public costing) over the five years. There is a consistent annual increase from UGX 8,353 billion in 2025/26 to UGX 12,795 billion in 2029/30, reflecting public service wage increases, due to inflation, increments, and additional recruitment.

559. Non-Wage Recurrent Expenditures, which include operational costs outside of salaries, is expected to total UGX 88,068 billion (21.3% of public costing). These expenditures increase from UGX 15,938 billion in 2025/26 to UGX 19,373 billion in 2029/30, due to increased costs due to expansion of government operations.

560. Development Spending with a total of UGX 73,307 billion (17.7% of public costing), is among the major cost drivers, highlighting the government's focus on infrastructure and project investment to drive growth. There is a progressive annual increase, from UGX 14,873 billion in 2025/26 to UGX 15,350 billion in 2029/30, indicating a scaling-up of development activities over time.

561. Interest, Debt Payments, and Domestic Refinancing as the major cost driver is also significant, totalling UGX 146,129 billion (35.4% of public costing), with a steady year-on-year increase. Starting at UGX 26,446 billion in 2025/26 and rising to UGX 32,145 billion in 2029/30, this highlights the growing burden of debt servicing on the government's fiscal position.

Table 24.3: Overall Cost of the Plan by Function 2025/26 - 2029/30 (UGX Billion)

Category	Total	2025/26	2026/27	2027/28	2028/29	2029/30
Wage	53,089	8,353	9,486	10,700	11,754	12,795
Non-Wage Recurrent	101,790	16,437	17,922	20,223	22,400	24,807
Development	105,325	16,038	17,541	20,090	23,627	28,029
Interest, Debt Payments & Domestic Refinancing	146,129	26,446	27,768	29,156	30,614	32,145
Arrears	4,900	200	800	1,100	1,400	1,400
Appropriation in Aid/Local Revenue	1,974	323	356	391	430	473
Total	**413,206**	**67,797**	**73,873**	**81,660**	**90,227**	**99,649**

Source: National Planning Authority, 2024

24.2.2 Public Sector Costing by Programme 2025/26 - 2029/30

562. Table 3.3 below shows that a significant portion of public spending is allocated across programmes of which 24.6% (UGX 146,129 billion) to “Interest, Debt Payments & Domestic

Refinancing", 18.7% (UGX 111,213 billion) to the "Human Capital Development programme", 13.7% (UGX 81,554 billion) is expected to go to implementation of the "Integrated Transport Infrastructure and Services programme", 9.9% (UGX 58,637 billion) to the "Governance and Security programme", 5.4% (UGX 32,349 billion) to the "Agro-industrialization programme", while 27.6% is distributed across the remaining programmes.

Table 24.4: Public Sector Costing by Programme 2025/26 - 2029/30 (UGX Billion)

Programme	Total	2025/26	2026/27	2027/28	2028/29	2029/30
Agro-Industrialisation	15,972	2,448	2,688	3,079	3,567	4,190
Sustainable Petroleum and Minerals Development	12,568	1,436	1,792	2,453	3,079	3,808
Manufacturing	2,247	258	332	449	551	657
Tourism Development	4,643	464	620	893	1,176	1,489
Climate Change, Natural Resource, Environment and Water Management	3,372	480	523	642	784	944
Private Sector Development	13,013	2,039	2,392	2,642	2,815	3,126
Sustainable Energy Development	9,349	1,368	1,506	1,752	2,140	2,583
Integrated Transport Infrastructure and Services	40,112	6,279	6,763	7,548	8,965	10,557
Sustainable Urbanisation and Housing	1,806	200	235	353	456	563
Digital Transformation	2,302	245	310	436	574	737
Human Capital Development	64,467	10,510	11,405	12,651	14,094	15,807
Innovation, Technology Development and Transfer	4,279	408	511	803	1,090	1,467
Public Sector Transformation	2,120	294	345	431	467	583
Governance and Security	54,734	9,509	10,235	11,110	11,698	12,183
Regional Balanced Development	8,366	1,169	1,365	1,610	1,949	2,273
Development Plan Implementation	11,573	2,066	2,177	2,298	2,435	2,597
Administration of Justice	2,998	534	564	599	629	672
Legislation, Oversight & Representation	6,283	1,122	1,187	1,266	1,314	1,394
Sub-Total	**260,203**	**40,828**	**44,950**	**51,013**	**57,782**	**65,631**
Interest, Debt Payments & Domestic Refinancing	146,129	26,446	27,768	29,156	30,614	32,145
Domestic Arrears	4,900	200	800	1,100	1,400	1,400

Programme	Total	2025/26	2026/27	2027/28	2028/29	2029/30
Appropriation in Aid/Local Revenue	1,974	323	356	391	430	473
Grand Total	**413,206**	**67,797**	**73,873**	**81,660**	**90,227**	**99,649**

Source: National Planning Authority, 2024

24.2.3 Public Financing Strategies

563. The public financing strategies as outlined in the fourth National Development Plan (NDPIV) encompass a broad spectrum of approaches designed to secure funding for developmental goals through both enhancing revenue streams and carefully managing financing mechanisms. This section articulates the core public financing strategies of the NDPIV, detailing efforts in domestic revenue mobilization, tapping into development assistance, leveraging oil and gas revenue, engaging in public-private partnerships, fostering South-South cooperation, and strategic prudent public debt management.

24.2.3.1 Domestic Resource Mobilisation

564. The Domestic Revenue Mobilization (DRM) Strategy is pivotal in plan implementation and should focus on broadening the tax base, enhancing tax compliance, and refining the efficiency of tax collection through several key interventions:

i) **Enhancing Compliance and Enforcement:** Strengthening the capabilities of the Uganda Revenue Authority (URA) to enforce tax laws and target non-compliance, especially among large businesses and professionals, through risk-based audit techniques and stronger investigative measures.

ii) **Tax Policy and Design Reforms:** Initiatives include refining the VAT system to increase productivity and reduce exemptions, renegotiating corporate income tax provisions especially the double tax agreements, and revising personal income tax exemptions for public officials and expatriates, to ensure fairness while promoting the formalization and growth of SMEs.

iii) **Taxpayer Registration and Services Improvement:** This involves making the process of becoming a registered and active taxpayer simpler for those currently outside the system and enhancing taxpayer education and services to support compliance.

24.2.3.2 Public Debt Acquisition

565. A strategic approach to public debt management is critical for sustainable development financing:

i) **Balancing Concessional and Non-Concessional Borrowing:** Prioritizing concessional loans while carefully managing non-concessional borrowing to finance ambitious projects not covered by concessional funding remains key for the NDPIV.

ii) **Minimizing Domestic Borrowing:** To prevent crowding out of the private sector, domestic borrowing targets are set to remain below 1% of GDP throughout the NDPIV period.

24.2.3.3 Other Public Financing Sources

i) **Development Assistance and Grants.** Recognizing the significant role of external grants in financing development, NDPIV strategies aim at optimizing development assistance. Government should continue to strengthen international relationships to enhance mutual benefits and respect, focusing on aligning with sustainable development goals and tapping into climate finance.

ii) **Oil and Gas Revenue Generation.** Although the oil and gas sector offers potential for substantial revenue, the NDPIV is cautious about its immediate impact due to the developmental stage of the sector. Nonetheless, prudent management of oil revenues calls for the need for transparency, accountability, and building investor confidence to ensure the sector's growth and the timely realization of oil revenues.

iii) **Public-Private Partnerships (PPPs).** PPPs are recognized as essential for financing major projects in infrastructure, health, and education. Plans are underway to bolster PPP capabilities, building on existing frameworks to enhance negotiation, design, and management of these projects. This approach aims to ensure cost recovery and sustainability of development initiatives.

iv) **South-South Cooperation.** The NDPIV highlights the importance of leveraging relationships with other developing and emerging economies. Strengthening bilateral cooperation by consolidating partnerships, particularly with countries like China, to support infrastructure development through loans and grants is vital for attracting long-term financing.

566. In sum, the NDPIV employs a multifaceted approach to public financing, aiming at not only enhancing internal revenue generation capabilities but also optimizing external funding opportunities and managing debt. Through these strategies, the plan seeks to ensure the successful implementation of its development initiatives while maintaining fiscal sustainability and promoting inclusive economic growth.

24.2.4 Private Financing Sources

567. The private sector's share in financing the plan totals UGX 180,439 billion over the span of five years (Table 21.5). The contribution starts at UGX 24,494 billion in 2025/26 and rises to UGX 51,109 billion by 2029/30. This marks a significant increase and shows the growing importance of the private sector in financing development, with its share of total costs slightly increasing from 30.4% to 33.9% over the period. The increasing reliance on the private sector for funding reflects confidence in private investment and potentially points to an environment conducive to private sector growth and involvement in national development projects.

Table 24.5: Private Sector Costing by Programme 2025/26 - 2029/30 (UGX Billion)

Programme	Total	2025/26	2026/27	2027/28	2028/29	2029/30
Agro-Industrialisation	16,378	2,751	2,680	3,019	3,551	4,377
Sustainable Petroleum and Minerals Development	10,184	662	1,353	1,903	2,750	3,516
Manufacturing	6,625	743	924	1,229	1,620	2,108
Tourism Development	14,621	1,494	2,112	2,992	3,645	4,377
Climate Change, Natural Resource, Environment and Water Management	861	143	114	138	195	271
Private Sector Development	18,660	2,372	3,349	3,692	4,287	4,959
Sustainable Energy Development	5,894	409	911	1,072	1,557	1,944
Integrated Transport Infrastructure and Services	41,441	5,671	6,881	7,967	8,878	12,044
Sustainable Urbanisation and Housing	1,223	128	147	217	321	411
Digital Transformation	6,816	707	863	1,193	1,689	2,364
Human Capital Development	46,746	8,029	8,613	8,683	9,876	11,546
Innovation, Technology Development and Transfer	3,127	297	331	554	781	1,164
Public Sector Transformation	-	-	-	-	-	-
Governance and Security	3,903	465	755	811	876	996
Regional Balanced Development	3,960	622	638	751	918	1,032
Development Plan Implementation	-	-	-	-	-	-
Administration of Justice	-	-	-	-	-	-
Legislation, Oversight & Representation	-	-	-	-	-	-
Total	**180,439**	**24,494**	**29,672**	**34,220**	**40,944**	**51,109**

Source: National Planning Authority, 2024

23.3.1 Private Financing Strategies

568. This section provides the private sector financing strategies for the National Development Plan (NDPIV), emphasizing the government's commitment to creating a supportive environment for private investment and detailing various sources of private financing. Below is a detail of these strategies:

i) **Private Savings, Cooperatives (SACCOs), and Retirement (Pension) Funds:** These are highlighted as critical components for funding NDPIV priorities. The government will continue to bolster the dialogue with the private sector, aiming to direct private investments into strategic areas of the economy. This includes measures such as reducing pre-investment overhead costs, providing tax incentives to entrepreneurs in key sectors, and promoting cooperatives and SACCOs;

ii) **Blended Finance.** Blended finance is identified as a potential financing source, especially for energy and transport infrastructure projects under NDP. The strategy involves increasing efforts to explore blended finance opportunities, including joint financing of regional projects with neighbouring countries and developing non-traditional financing sources like venture capital and collective investment vehicles;

iii) **Foreign Direct Investment (FDI).** FDI flows are anticipated to rise to an average of 4.5% of GDP annually. This increase is expected to support projects requiring Public-Private Partnerships (PPPs). Key government bodies, including the Uganda Investment Authority and the Ministry of Finance, Planning, and Economic Development, are tasked with ensuring an attractive investment climate to facilitate ease of doing business in Uganda;

iv) **Private Remittances and Diaspora Resources.** Recognizing the significant role of private remittances, the government should consider redirecting these funds towards investment in diaspora-focused projects through bonds and encouraging the diaspora to invest in critical development projects;

v) **NGOs/CSOs and Philanthropy.** Streamlining NGO/CSO operations in development plan implementation is key as they finance numerous development projects, with spending up to 1.4% of GDP annually. The government should amend registration laws to ensure these organizations align with NDP priorities and strengthen their participation in annual budgeting and planning at various government levels; and

vi) **Climate Change Finance.** Uganda's commitment to the Paris Agreement necessitates accessing external financial support for climate change adaptation and mitigation strategies. The lack of bankable climate change projects is a key obstacle. Government should undertake efforts to strengthen the capacity of government agencies and civil society organizations to develop robust proposals for international climate financing.

CHAPTER 25: INTEGRATED MONITORING & EVALUATION, IMPLEMENTATION COORDINATION, AND STATISTICAL DATA STRATEGY

25.1 Introduction

569. **The Implementation Coordination and Monitoring and Evaluation, strategy for the Plan is informed by the achievements, challenges and lessons learnt from the previous NDPs reviews.** The strategy articulates the NDP implementation coordination and M&E reforms, the roles and responsibilities of stakeholders, reporting and dissemination mechanisms, processes, required capacities and events. It includes the coordination mechanisms and the results framework that will guide the assessment of the implementation progress towards the Plan's development goal and objectives.

570. **The overall objective of the Strategy is to support the implementation coordination of Programmes, MDAs, LGs, and the key stakeholders in undertaking monitoring and evaluation, implementation and coordination of the Plan.** The strategy will guide common implementation of identified programme priorities and the generation of data for: (i) evidence-based planning; (ii) accountability; (iii) monitoring and evaluating policies, programmes and projects; (iv) institutional learning and improvement through data utilization and sharing; and (v) decision making through measuring the performance, outcome and impact of development interventions.

25.1.1 Situation analysis of M&E and Implementation Coordination

i) **As of June 2023, there were gaps between the planned and actual results, with only 29% achievement**. This gap was partly attributed to poor coordination, inadequate data, inadequate reporting and strategic engagement on NDPIII results, and limited accountability for results. These shortcomings undermined the achievement of the plan's goal of increasing household incomes and improving the quality of life of Ugandans. These shortcomings are explained by several factors discussed below along the project cycle of planning, budgeting, implementation and M&E.

ii) **Planning.** The NDPIII adopted a programme-based approach (PBA) that requires a coherent, coordinated and participatory process of formulating and realizing national priority development objectives through corresponding national programmes. However, weak coordination, inadequate human and institutional capacity, poor service delivery, corruption and accountability issues, and external shocks and risks have remained critical issues that hindered the Plan's implementation.

iii) **Budgeting.** The budget process and the Medium-Term Expenditure Framework (MTEF) have not fully aligned to the NDP III programmes and outcomes. This has resulted in mismatched priorities, for the NDP activities. This has undermined the budget compliance to the Plan.

iv) **Implementation.** The reporting to the Presidency on the progress and challenges of the NDP III has not been fully undertaken as per the APEX reform. This is due to the lack of a regular and systematic mechanism for receiving and analysing the reports from Oversight institution in government.

v) **Monitoring and Evaluation.** The Plan has a comprehensive M&E system that aims to track the progress and performance of the plan, as well as to support learning and decision-making. There are challenges of lack of a harmonized M&E framework, failure to operationalise the M&E System, data gaps and quality issues, low utilization of M&E information, weak feedback and reporting mechanisms, and limited stakeholder inclusion.

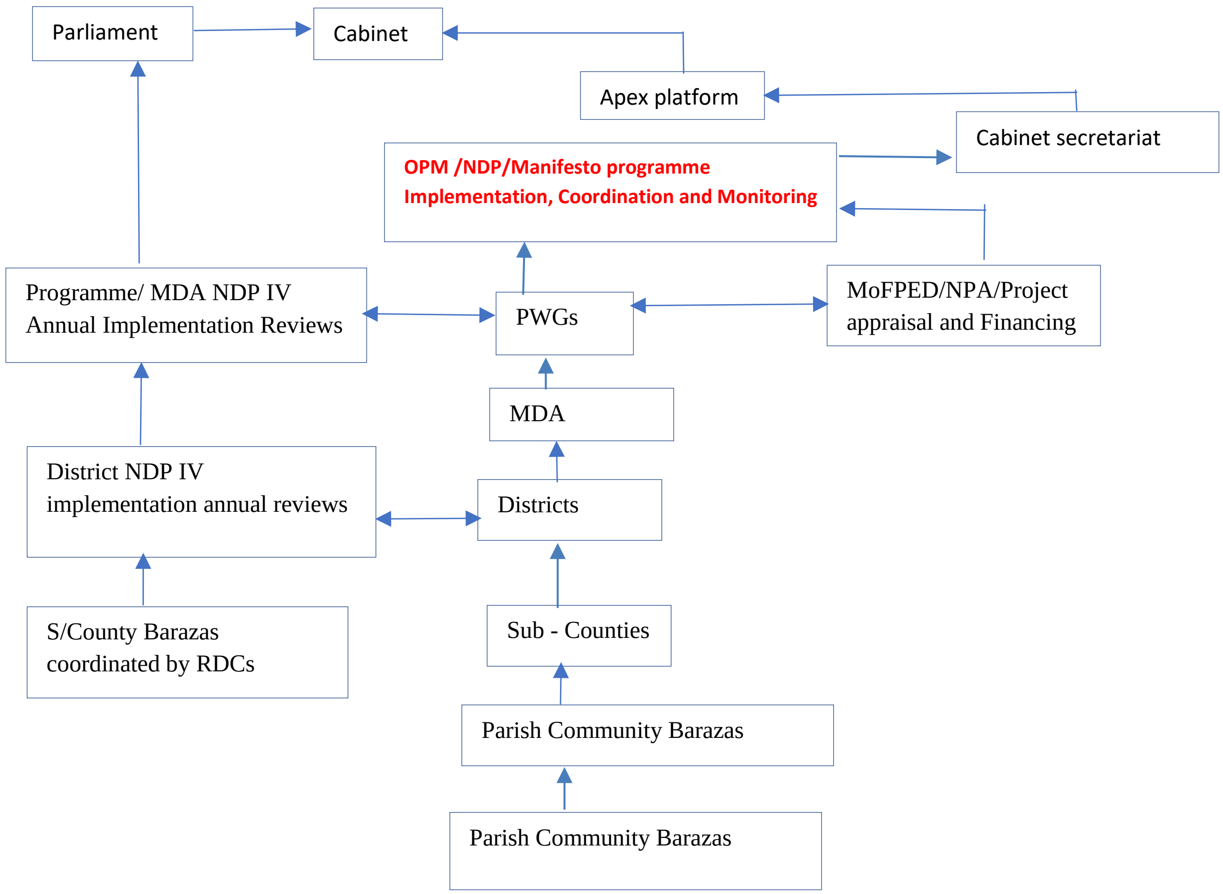
25.1.2 Roles and responsibilities of key actors

571. To avoid overlaps, role conflicts, and uncertainty in the M&E function during the NDPIII implementation, the specific roles and responsibilities of key actors have been detailed in M&E strategy in addition to the institutional mandates. Key institutions with a role in M&E include: Parliament, Presidency, Cabinet Secretariat, Office of the Prime Minister (OPM), National Planning Authority (NPA), MoFPED, UBOS, MoPS, MoLG, MALGs and Non-State Actors including; Development Partners, CSOs, Media, Academia, and Private Sector. Figure 1 and subsection below highlight the institutional architecture and reporting and the roles and responsibilities of the respective oversight institutions.

i) **The Office of the President (OP)** is responsible for the oversight of the Plan and provides overall leadership in Public Policy Management and the promotion of good governance practices. As such, the Presidency through the Apex platform provides a forum for State and Non-State actors to contribute to the implementation architecture of government. The Implementation Coordination Steering Committee Chaired by the Head of Public Service, reports directly to Cabinet. Similarly, the Manifesto Unit also undertakes monitoring of the manifesto.

ii) **The Parliament** is responsible for programme oversight, independent monitoring & evaluation of the budget to inform resource utilisation for results. Parliament through its M&E function fosters good governance and consistency of the budget management to the Plan and guarantees value for money through enforcing the recommendations of the Auditor General's reports. In addition, Parliament conducts Ex-ante and Ex-post evaluations to assess the execution of the Budget as per national priorities.

Figure 25.2: NDPIV Institutional Architecture and Reporting for M&E, and Implementation Coordination



iii) **The Office of the Prime Minister (OPM)** oversees the implementation coordination and monitoring of the Plan. OPM coordinates implementation monitoring and conducts performance evaluations including commissioning joint evaluations by, and or with MDAs to guarantee effective implementation. OPM shall coordinate the development and management of the management information systems (MISs), and facilitate training for users. The web-based system should have data entry modules to allow Planners for the respective MDAs and Local Governments to self-report/internal follow-up on the implementation of the plan. OPM will also undertake public expenditure reviews. The Delivery Unit under OPM is charged with addressing implementation constraints to fast-track government core and flagship projects and programmes.

iv) **National-level technical implementation coordination is operationalized through the NDP technical coordination committee, a platform chaired by the PS-OPM, supported by the national coordination and Reporting Secretariat.** Coordination under the Programme lead MDA is operationalized through the Leadership Committee (Political) and the Programme Working Groups (Technical) chaired by the lead MDA Ministers and PSs respectively, supported by the Programme Secretariats.

v) **The Ministry of Finance, Planning and Economic Development** conducts budget monitoring in line with the Plan, led by the Budget Monitoring and Accountability Unit

(BMAU), and resource allocation in line with the Charter of Accounts to ensure budget credibility. MFPED in liaison with The Makerere University Public Investment Management Centre of Excellence will conduct an annual PIMs forum on key PIMs issues and will continue to assess compliance of projects under the Integrated Bank of Projects system in line with the Plan and line with the NDP programmes results and produce an annual Project implementation report.

vi) **To strengthen programme Coordination**, the MoFPED under Development Plan Implementation (DPI) Programme will be the overall coordinator of programmes through leveraging Planners at MALGs. This coordination will involve improving monitoring systems, clearer roles for key actors, and better alignment of budgeting processes with national development priorities. These efforts will bridge the gap between planning and execution, while ensuring more effective implementation of NDP programmes. DPI will chair key programme engagements along the project cycle of Planning, budgeting, implementation and M&E.

vii) **The National Planning Authority (NPA)** is charged with national strategic development planning for results, based on the national strategic direction and its priorities. As such, it is responsible for preparing the results and reporting framework that includes target setting for the Plan. Annually, it provides progress on plan implementation and the issuance of the Certificate of Budget compliance to NDP. Under the leadership of the NPA in partnership with OPM, MoFPED and UBOS to guide the budget, annually coordinates the review of the Programme and LGs performance indicators and targets which are submitted as an annex to the Budget. In addition, NPA in partnership with UBOS is responsible for reporting on the manpower, skills and employment status of the country. In order to aid project monitoring of core projects in the Plan, a standard project monitoring tool has been developed to guide project monitoring and reporting.

viii) **MDAs and LGs** undertake M&E activities based on their strategic and development plans. The M&E reports of the MDAs and LGs form part of the secondary data information required by OPM, NPA, PWGs and other stakeholders. MDAs and LGs are responsible for the functionality of their respective M&E and Statistical units and periodically produce statutory performance reports.

ix) **The Programme Secretariat**, are responsible for the coordination and compilation of the mandatory reports based on Programme implementation Action Plans and Annual reviews along the project cycle of planning, budgeting, implementation and reporting. Data for the production of the reports is based on the Programme Implementation Action Plans (PIAPs). All Programmes are required to produce and disseminate the report by October.

x) **Non-State Actors** monitor and submit reports on the implementation of their projects and programmes to respective LGs and Programmes, and assess and provide oversight reports on service delivery and implementation of planning in the country.

25.1.3 National Development Plan Implementation Coordination Tools

572. OPM through the Directorate of Strategic Coordination and Implementation will spearhead effective NDP implementation coordination through key coordination tools to enable MDAs to work towards goals. These include:

i) **The National Development Plan-related policy frameworks** elaborate the overall common result framework, development planning and programming across government;

ii) **NDP implementation governance, coordination and Partnership frameworks** provide development plan coordination platforms for harmonized planning, identification of priorities and cooperation for the achievement of common development goals; and

iii) **NDP communication and advocacy frameworks** inform common understanding among stakeholders for building up NDP relevant policy actions, public support for desired transformative change and socio-economic progress.

25.2 NDPIV M&E reforms

573. Monitoring and evaluation of NDPIV will focus on the following per institution.

25.2.1 Office of the President

574. **Fully operationalised the High-Level Public Policy Management Executive Forum (Apex Platform) to enhance accountability for the delivery of results through effective oversight.** The APEX under the Presidency will facilitate the use of key reports including the; National Development Report (NDR), Annual Budget Performance Report (ABPR), National Annual Performance Report (NAPR), Manifesto Progress Report, Core Project monitoring report, PDM Progress report and the Manpower Progress Report to monitor progress. The APEX will be chaired by the President, who makes actionable decisions based on recommendations from key players like the Office of the President (OP), the Office of the Prime Minister (OPM), the Ministry of Finance, Planning and Economic Development (MoFPED), and the National Planning Authority (NPA). In liaison with the Ministry will coordinate the implementation and monitoring of the Parish Development Model.

25.2.2 Office of the prime Minister

575. **Fast-tracking implementation of management capacity building for the Integrated M&E system.** This will entail; finalisation of the training and operational manual, development of a mobile application, GIS activation of core projects, Executive interactive dashboards, rolling out and strengthening MDA and LG MISs and building capacity to support generation of NDP periodic progress reports that will include data on the PDM and

all the cross-cutting issues that include the international (SDGs), Continental (A2063), Regional (EAC2050), among others. This training will help the generation of NDP performance assessments through the system. The System will be linked to the Government systems.

576. **Strengthening functionality of the M&E within the Planning departments.** The Monitoring and Evaluation (M&E) function is an unfunded activity, often considered recurrent and subject to budget cuts. To address this, there is need to follow up on the full recruitment of dedicated M&E cadres in all planning units. Similarly, OPM is expected to finalise the M&E Policy, produce and Evaluation agenda and build MALGs capacity in M&E in line with the Programme based approach of the NDPIV.

577. To ensure the strategic coordination of the Plan, the OPM will ensure the fully functionality of the NDP Programmes, and revive the Partnership Policy, ensuring that all stakeholders align their activities with the NDPIV for more effective implementation.

578. **Revitalise the Prime Minister's Delivery Unit (PMDU)** to fast-track implementation government flagship projects and programmes as well as conducting delivery lab studies to unlock bottlenecks to service delivery.

25.2.3 National Planning Authority

579. **National M&E Forum.** Annual forums to assess the NDP progress will be conducted. While the annual programme reviews will focus on the programme specific issues, the National M&E Forums will seek to address cross-cutting and underlying performance challenges, which are raised both from the programme reviews and the national performance reports.

25.2.4 Uganda Bureau of Statistics

580. **Build capacity for administrative data and operationalise the Community Information system that should provide data for monitoring data at the parish level including PDM for community level reporting.** This will enable UBOS to effectively perform its function of providing reliable and timely data and information on the NDP results as well as build the capacity of MDA/LGs to produce reliable data.

581. Additionally, surveys are not aligned with planning horizons, making them untimely and ineffective for informed planning. To address data availability constraints, proposals to establish dedicated statisticians in all planning units must be implemented across government.

25.2.5 Ministry of Public Service

582. **Enforce service and service delivery standards to provide a benchmark for monitoring.** The Ministry of Public Service has developed service and service delivery standards for Uganda, but they have yet to be approved. In the NDPIV period, all service delivery units will

be mandated to have service and service delivery standards to standardise service delivery and increase the efficiency and effectiveness with which public services are delivered.

25.2.6 M&E Events and Key Actors

The key M&E events, processes and key actors are as indicated in Table 25.1.

Table 25.1: Summary of the M&E events and processes

Main M&E Events	Purpose and Description	Output	Lead Agency	Other Key Actors	Time frame
Annual APEX NDP Forum	Overall review for results	Recommendation reports	OP	OPM, MOFPED, NPA, UBOS, MoPS and MoLG	Annual
National Annual Performance Review	Review of implementation of Government policies, projects and programmes	NAPR and NHAPR	OPM	Cabinet and MDAs	Semi-Annual and Annual
Alignment of Plans, BFPs and budgets to the NDPIV	Issue Planning Call Circulars to support alignment of Plans, BFPs and budgets to the NDPIV: Issue guidelines to support alignment of PDPs/LGDPs and BFPs to the Plan at Programme, MDA and LG levels; and organize annual meetings for planners and budget officers to quality assure BFPs and budgets.	Certificate of Compliance Planning Call Circular	NPA	MFPED, OPM, Districts, Sub-counties, MDAs	Call Circular: July every year; Meetings for planners: annually
Project Development	Facilitate identification of problems for further development into projects	Public Investment Plan	MALGs	NPA, PSFU, Academia, Researchers, CSOs, and Politicians	Annually
Statistics Production Initiatives	Basis for a 'before and after' assessment of the NDP progress	Survey and census reports	UBOS	OPM, NPA, MFPED, other MDAs as well as LGs	Annually
Impact Evaluative studies	Assess the effectiveness, relevance and intermediate and final outcomes for projects and programmes	Evaluation reports	NPA	OPM, MFPED, other MDAs as well as LGs, EPRC, MDAs, Civil Society & LGs	Continuous
Programme Annual Reviews	Assess Programme performance, identify challenges and solutions	Programme Annual Review Reports	PWGs, MDAs/ Independent Consultants	NPA, private sector players, Researchers, CSOs, and members	Annually

Main M&E Events	Purpose and Description	Output	Lead Agency	Other Key Actors	Time frame
				of Parliament	
NDPIV Mid-Term Review	Assess mid-term progress of NDPIV and projects and programmes to ensure consistency of implementation with overall focus and objectives	NDP progress reports	NPA	MALGs, private sector, CSOs, academia, development partners, researchers, Parliament	January-June 2027
Manifesto Midterm review	Undertake monitoring and evaluative studies of the ruling party Manifesto	Manifesto	OP	MALGs	

25.3 Performance Reporting and Dissemination of Results

583. The performance monitoring reports that will be produced and disseminated at various levels are outlined in the following sections.

25.3.1 Economy-Wide Reports

(a) Certificate of compliance

584. Alignment of Plans (5-year NDPs and LGDPs) and the budgets to the NDPIV will be established through issuance of Certificates of Compliance by National Planning Authority (NPA) to Ministries, Departments, and Agencies (MDAs), Local Governments (LGs), and Ministry of Finance, Planning, and Economic Development (MoFPED) including an assessment of the Cross-cutting issues that include the SDGs, A2063, EAC2050, HRBA, Gender and equity, Environment and Climate Change, Nutrition, population, HIV/AIDS, EAC integration, Employment. Disability, social protection. Refugees and disaster, physical planning, science and technology. The certification report for plans and budgets will be formulated based on criteria, developed by NPA whose issuance is scheduled for the 1st April of annually.

(b) NDPIV Public Investment Plan

585. The five-year NDPIII Public Investment Plan (PIP) containing approved projects and programmes is produced as an annex to the NDPIV and disseminated jointly with the Plan. This national consolidated report with profiles of proposed projects and programmes is produced by NPA. The report is expected to be disseminated to the Cabinet, MDAs, Parliament, private Programme, Development Partners and LGs to facilitate consensus on the

prioritization and sequencing of projects during budgeting. The PIP is expected to be produced by NPA, in collaboration with MFPED.

(c) National Development Report (NDR)

586. The NDR provides a review of the progress made towards achievement of NDP goals, objectives, programmes and corresponding targets. Over the NDP III period, timely production of National Development Reports (NDRs) has been hampered by the application of the manual M&E framework. Although the integrated NDP M&E system developed and partially operationalized, it is expected to inform the National Development Report (NDR) and National Annual Performance Report (NAPR) for the NDPIV produced annually by NPA and submitted to Parliament, as required by the NPA Act Cap.202. The NDR will serve as the main monitoring and evaluation annual feedback from the Authority to stakeholder's report and contain an assessment of the development performance of the economy, including the contribution of the public and private sectors, as well as other non-state actors.

(d) National Annual and Half Annual Performance Reports (NAPR & NHAPR)

587. These reports will continue to be produced annually and semi-annually by OPM to facilitate internal review of Government performance by Cabinet. The reports provide analysis of the performance of sectors, and MDAs against the national budgetary resource allocations. They will be largely focused on assessing progress on interventions that are aimed at achieving planned NDPIV programme results. As before, the NAPR and NHAPR will continue to be disseminated through the Cabinet retreat.

(e) Annual Budget Performance Report (ABPR)

588. MFPED will produce the Annual Budget Performance Report which provides information on the performance of the National Budget against the annual plans. In particular, the report provides analyses of the revenue and expenditure, including sectoral and LG financial and physical performance. The report is disseminated to MDAs and LGs during the national and regional budget conferences, as a key feedback to inform the next budgeting process.

(f) Manpower, skills and Employment Status Report

589. The inaugural National Employment and Skills development report was produced in 2022 and this was aimed at keeping track of the number of jobs created, skills developed and skills required in the short and medium term. With NPA as the lead, the report shall be produced and disseminated every after two years in collaboration with key stakeholders such as UBOS, EPRC, MoGLSD, MoES, UIA, and PSFU. In this regard, starting the last Financial Year of NDP III through to NDP IV, UBOS is required to conduct Quarterly Labour Force Surveys

in order to enhance the availability and reliability of labor force data. This will enable UBOS to develop and the government have a more comprehensive employment and labour statistics data base to facilitate reporting on employment and skills development status for better planning and policy formulation.

(g) **Annual Physical Development Compliance Report**. The report will check for compliance on implementation of the National Physical Development Plan through ensuring the integration of physical planning with social and economic planning at the national and local government levels.

(h) **State of Uganda's Population Report.** The annual report will provide current status of development related issues on the population in line with the population policy and Population action plan to ultimately achieve the demographic dividend.

25.3.2 Programme level reports

(a) Annual Programme Performance Reports

590. During the NDP IV, all programmes will therefore be required to produce annual programme performance reports which will be a key performance review reference during finalization of the subsequent financial year's BFPs and budget appropriation by Parliament. Programme reviews will take place for all programmes in August/ September of each year. Data for production of the reports will be based on quarterly and bi-annual performance reports reports. In order to promote horizontal accountability, the participation of representatives from private sector, CSO and Citizenry will be emphasized. All programmes will be required to produce and disseminate the report by October every year.

(b) Quarterly Programme Performance Reports

591. Quarterly Programme performance reports are currently produced by MALGs to provide information on the utilization of funds for the preceding quarter. The reports support the MFPED, NPA and OPM progress reports. The reports are currently based on the Programme Based System (PBS) and will be strengthened during NDPIV to relate to the monitoring system and the NDPIV Results and reporting framework.

25.3.3 Local Government level reports

592. The Local Governments will therefore produce reports that will be structured to focus on progress of NDP implementation by local governments. In addition, district MIS' will be strengthened as it will be linked to the Web based NDP M&E system to provide data for preparation of the reports.

25.3.4 Vision2040 Mid-term Review

593. The first year of the NDPIV (FY2025/26) marks the midterm for the Vision2040 aspiration of transforming the country from predominantly peasant to modern and prosperous country with per capita income of USD 9500 within a period of 30 years. The vision 2040 midterm review will be undertaken from July -December 2026.

594. The mid-term independent review of the Vision 2040 will seek to assess the level of its implementation through the National Development Plans within the framework of the envisaged plans' themes in line with the vision aspiration.

25.3.5 NDPIV Mid-term and NDPIII End-term Review

595. A mid-term review of the Fourth National Development Plan (NDPIV) will be conducted two and a half years into its implementation, precisely in July-December 2027 and end term review of the NDPIII. The review will assess progress, reflect on assumptions, strategies, and recommend adjustments for fast-tracking Plan implementation. The NDP mid-term review will be independently conducted, led and overseen by the National Planning Authority, in collaboration with OPM, MDAs, Local governments and other stakeholders.

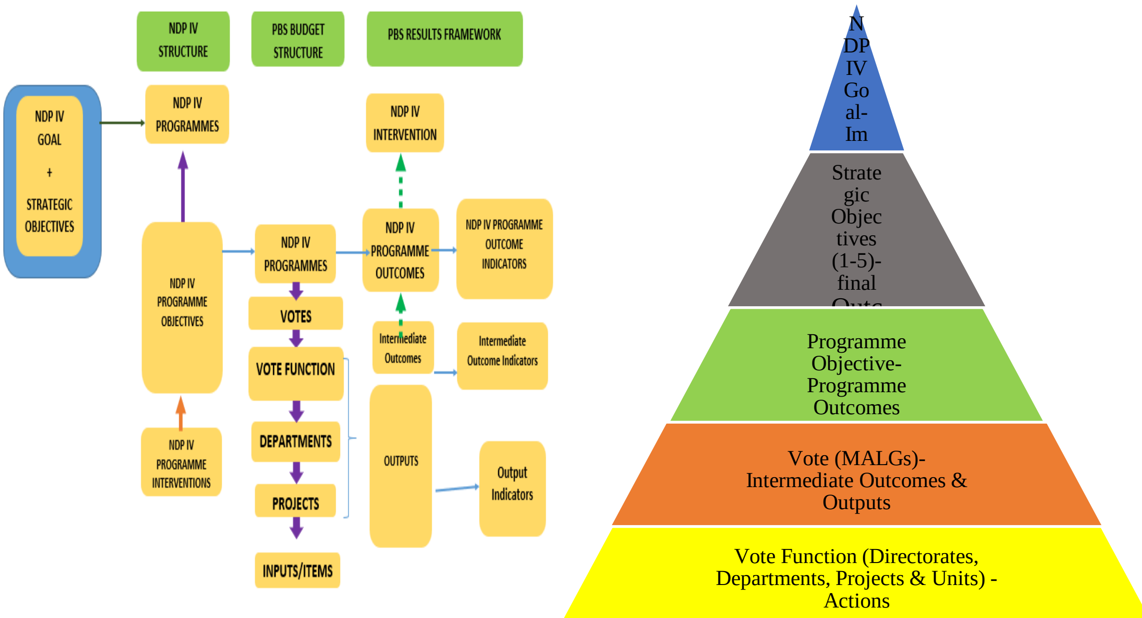
596. The methodology for assessing NDP performance against the targets for the two and half years will adopt the scoring to include: achieved (100%), partially achieved (99%-50%) and not achieved (less than 50%).

25.4 NDPIV Results Framework

597. To enhance development planning processes, it is crucial to strengthen the monitoring and evaluation of results and measure the impact of NDP IV implementation in line with the ten-fold growth strategy.

598. The Result Framework will be used to measure and assess progress during the implementation of this Plan and used as a tool for compliance assessment as required under Section 13(7) of the Public Finance Management Act, Cap.171. The detailed NDPIV results framework focuses on the measurement of results at the national aggregate (Macro), Programme, and decentralized levels (Annex 1). It includes indicators for the Goal & Strategic Objectives (Outcomes), Programmes (Intermediate Outcomes and Outputs), and Local Government (Intermediate Outcomes and Outputs) as illustrated in Figure 25.2 below.

Figure 25.3: NDP Planning, budgeting, and Results Framework



599. The results framework integrates the Sustainable Development Goals (SDGs), A2063, EAC2050, HRBA, Gender and equity, Environment and Climate Change, Nutrition, population, HIV/AIDS, EAC integration, Employment. Disability, social protection. Refugees and disaster, physical planning, science and technology indicators and targets. This comprehensive framework illustrates how the attainment of lower-level objectives and interventions by Local Governments (LGs) and Ministries, Departments, and Agencies (MDAs) contributes to the overall goal of the Plan. By facilitating connections within and across levels, sectors, and thematic areas, the Results Framework serves as a valuable tool for state and non-state institutions, including civil society, private sector entities, and development partners, in pursuing results-based planning and implementation strategies.

25.5 NDPIV Implementation Reforms

600. **Lessons learnt from implementing previous plans show that there are some areas that have been impeding the realization of results.** Five of these areas worth highlighting here, include:

i) Acquisition of land for right of way has delayed and increased the cost of public projects;
ii) Low domestic savings limit the financing of both public and private sector investments;
iii) Ever increasing cost of public sector administration is eating away resources that would have financed public investments;
iv) Low levels of corporate governance in Government, particularly in public entities, State-Owned Enterprises (SOEs) and the private sector; which leads to low efficiency in these entities; and

v) Ineffective procurement process of public goods that is costly and not yielding the desired value for money.

601. To increase the likelihood of achieving the NDPIV and the 10-fold economic growth strategy reforms are necessary to address these impediments. These are discussed below.

25.5.1 Land reforms for the acquisition of right of way for key public projects

602. **The 1995 Constitution, provides for acquisition of land in cases of public interest, subject to prompt and adequate compensation.** Nonetheless, the provision/definition of *adequate compensation* has been abused. It has been left to self-evaluation as adequate compensation differ even within the same locality. This has led to disputes over compensation. This has heightened the cost and significantly delayed completion of public projects, thereby limiting the realization of desired socio transformation.

603. **To address these inefficiencies and expedite right of way for key public projects, the following reforms require consideration:**

i) **On account of Government's lack of adequate resources and the high cost of compensation, new developments should be undertaken based on full acceptance of communities to construct these developments at no land compensation cost.** This practice is already done in GKMA and District Community Roads, as communities appreciate the increase in the value of their property and services, particularly those near the road. Therefore, to undertake public projects local communities should be mobilized to voluntarily contribute the required land in public interest. This approach has been successful in areas of Kayunga, Wakiso and Kampala.

ii) **Develop, finance, implement, and enforce last mile Physical Plans for the entire country.** While land belongs to the people, planning for this land is a government function. Nevertheless, physical planning has been lagging behind and where it exists, we have frameworks and not last mile plans, making enforcement a challenge. To solve this, the following should be undertaken:

    a. Develop, finance, implement and enforce last mile physical development plans for the entire country. These physical development plans should clearly show what is supposed to be done within the different demarcated areas.
    b. Ministry of Lands, Housing and Urban Development (MLHUD) should only issue titles that indicate the specific land use option for the different parcels of land, in line with the physical development plans;
    c. Approval of land titles should be based on the physical plans;
    d. The actual land price should be based on these land-use plans;
    e. Prioritize development of last mile physical plans for GKMA, Cities and the Albertine area.

25.5.2 Pension Reforms to mobilizing domestic resources for both Public and Private sector investments

604. **The future of financing of Uganda's 10-fold growth aspirations is domestic resource mobilization as external financing is dwindling globally.** Mobilization of domestic resources for private investment is constrained by availability of mainly costly short-term credit. Lack of patient capital (long-term financing) is affecting both the public and private investments. Mobilization of domestic resources for public investment is constrained by Uganda's shallow market. The market is not deep enough, for instance, long term financing is dominated by only NSSF. In this shallow market, domestic borrowing for public investments crowds out the private sector as interest costs increase. This would not have been the case if the market had about five National Social Security Funds (NSSFs).

605. **The pension sector is a significant contributor of domestic resource mobilization, world over.** Uganda's pension sector, while holding significant potential as a source of financing for public and private investment with total assets reaching UGX 22 trillion in 2024, faces substantial challenges that limit its effectiveness. It is necessary to reform the sector for it to realize its potential. Reforms are critical in improving competition, efficiency and savings mobilization. This is necessary for providing long-term financing (patient capital) for both public and private investment.

606. **There is need to revisit the reforms in the pension sector to provide long-term domestic financing of Government and private sector projects.** While these reforms were resisted earlier due to the fear of the sector falling into foreign hands, we need to innovatively increase more pension sector players, without opening it up to foreigners. For instance, Tanzania has over four locally managed public pensions funds (NSSF, Public Service Pension Fund (PSPF), Local Government Servants Pension Fund (LGSPF), and Armed Forces, among others). This has made their domestic patient capital market deeper than Uganda's. The increased availability of long-term capital from retirement savings will provide a good alternative to expensive commercial bank loans in funding long-term projects by reducing the cost of capital while putting pressure on interest rates in the economy to reduce. The following key reforms are proposed.

   i) **Establish multiple public pension funds.** This will foster competition and market efficiency, leading to more innovations, better services and more attractive products for savers, and consequently higher savings.
   ii) **Expand pension coverage to include informal sector workers.** Uganda's large informal sector remains significantly underserved by the current pension system. To bring more workers into the pension fold, targeted policies such as micro-pension schemes specifically designed for informal workers should be designed and implemented. These schemes should leverage technology by using mobile money platforms and other simplified savings

products to incentivize participation and mobilize additional savings from previously untapped sectors of the economy.

iii) **Leverage pension assets for public investment.** Uganda's pension sector holds significant potential for financing infrastructure and other public investments. To maximize this potential, pension funds, such as NSSF, should be encouraged to diversify their investments to include infrastructure bonds and Public-Private Partnerships (PPPs), among others.

iv) **The Public Service Pension Scheme (PSPF) should be turned from a non-contributory unfunded model to a contributory defined benefit pension fund by establishing the Public Service Pension Fund (PSPF), as an irrevocable trust governed by a Board of Trustees.** This will ensure that pensions are guaranteed for eligible public servants while maintaining professional management in compliance with the Uganda Retirement Benefits Regulatory Authority (URBRA) Act. In addition, oversight restructuring should be undertaken for the Fund to operate just like any other efficiently-run Retirement Benefit Scheme.

25.5.3 Restructure government to make it fit for purpose and reduce the cost of public administration

607. **The escalating cost of public administration in Uganda continues to significantly strain on the national budget, limiting the resources available for critical development expenditure.** Over the past decade, the cost of public administration has risen significantly without a proportionate increase in domestic resources to finance it, reducing the available fiscal space. This increase has been financed by crowding out development expenditure which has reduced significantly over the period.

608. **Relatedly, the cost of public administration, including both wage and non-wage expenditures has escalated significantly, rising from 64% (Shs. 7.08 trillion) of the discretionary resources in 2015/16 to 79% (Shs. 22.41 trillion) in 2024/25, representing an annual average growth of 13.9%.** This growth is higher than the annual average revenue growth of 12.8% over the same period, implying that public administration is consuming a large portion of the budget, leaving less for development expenditures, reducing the fiscal space and slowing transformation efforts.

609. **This surge is largely driven by continuous creation of new administrative units at both central and Local Governments and the ever-changing government policy on wages for certain professions without the accompanying resources to finance them.** For example, in FY2022/23 government increased wages for scientists (Shs. 577.7 billion), security officers (Shs. 914.3 billion) and the rest of public service (Shs. 1.1 trillion), which are going to be carried over to the NDPIV period. Additional wage enhancements are expected over the NDPIV period which will consist of 75% enhancement for security officers amounting to Shs. 4.7 trillion; and enhancement for the rest of public service amounting to Shs. 4.5 trillion.

610. **Due to the rising cost of public administration, resources allocated to development projects have shrunk from 40% to a mere 22% over the same period, as a share of the total budget.** If this trend continues, development expenditures will be crowded out by 2036.

611. **To address these challenges, Government should:**

i) Consider whole of Government rationalization, including Ministries and other entities, informed by a detailed Government functionality analysis, so as to make Government more affordable, more efficient and fit for purpose.
ii) Enforce a moratorium on the creation of new administrative units and prioritize the fully operationalization of existing ones.
iii) Future wage and administrative cost increases should be accompanied by equivalent qualified revenue mobilization efforts to prevent further crowding out of development spending.
iv) Consider removal of Boards for entities that operate within the public sector but do not have a business or profit-oriented dimension and revert these entities to directly report to the line Ministries. However, Boards of SOEs and agencies that work directly in the private sector should be retained but should follow the corporate governance best principles, so as to improve their efficiency and profitability, and favourably compete with the private sector.
v) Government should continue with efforts towards improvement in domestic revenue mobilization in line with the Domestic Revenue Mobilisation Strategy (DRMS). Particularly, Local economic development should be prioritized so as to boost revenue generation for local governments.
vi) Introduce an Independent Salary Commission which sets salaries for all public servants.

25.5.4 Reforms for improvement of corporate governance in public entities, State Owned Enterprises and the Private Sector

612. **Corporate governance is defined as a system of rules, practices and process by which a business, entity or enterprise is run or governed.** It rotates around aspects of business leadership, control, good governance practices and decision making. In the desire for 10-fold growth, if Government, particularly through public entities and State-Owned Enterprises (SOEs), is to improve public sector efficiency and succeed in business while withstanding competition from the private sector, good corporate governance practices should be adopted and implemented. On the other hand, the private sector's capacity in corporate governance needs to be built so as to improve the efficiency of the private sector, ultimately leading to positive economic wide effects.

613. **Particularly, the following should be undertaken to improve corporate governance in public entities, State-Owned Enterprises and the Private Sector.**

i) Board selection for public entities and SOEs should be based on merit, skills, expertise, competence and background in line with the specified technical area of focus that the SOE is dealing in. They shouldn't be based on the level of representation of the different constituents as is the current practice. To achieve this, this may necessitate amending some laws regarding these different Boards.
ii) Performance Targets must be clearly stipulated at the onset for the Board Members and Executives of the respective entities. These should innovatively be tailored in line with the Private Sector best standards and practices instead of the bureaucratic Government tendencies that may stifle business and operations from the private sector angle. Additionally, their recruitment and appraisal must be mainstreamed under the overall Head of Public Service's Office for clear reporting and accountability of results.
iii) Board Members and Executives must be frequently trained in the best corporate governance principles in keep up pace with the ever-changing dynamic business environment.
iv) All public entities and SOEs' businesses and operations should align to the country's development plans and frameworks.
v) Government should work out modalities to build the capacity of both public sector and the private sector in good corporate governance practices. Particularly for the private sector, this will improve the efficiency of the private sector operations and ultimately positive feed-back effects to the entire economy.

25.5.5 Reform the procurement process to make it more efficient and provide value for money

614. **Public procurement faces significant challenges, primarily due to corruption, political interference, and limited transparency, which undermine fairness and lead to inflated costs and substandard services.** Compliance issues are widespread, with many public entities bypassing procurement laws or engaging in non-competitive bidding practices. In addition, capacity constraints among procurement officers, especially in local governments cause inefficiencies, delays, and regulatory misunderstandings. Payment delays and weak monitoring further complicate procurement, often leading to incomplete or poor-quality projects and discouraging reputable suppliers from participating in public tenders.

615. **To implement effective sustainable procurement reforms, the following should be prioritized:**

i) Government must undertake direct procurements from suppliers for bulk and strategic procurements for common goods and services, without necessarily involving the middle-men. This is likely to reduce prices of good by over 50 percent.
ii) Government must ensure uniformity in costing goods and services based on the National Standard Indicators. A unit cost list for products and services should therefore be created.

iii) Need for Government engineers to develop appropriate designs in line with the respective traffic loads of different jurisdictions and locations. They must also go on to actively supervise these projects in line with these designs.

iv) To address the maintenance challenges of public infrastructure, all public infrastructure projects procured should include maintenance, by requiring the bidder to construct and maintain the infrastructure or road for at least fifteen (15) years, at the original infrastructure cost. This will not only ensure roads are well maintained but will improve the quality of the roads constructed.

v) To build the capacity of local construction companies, we need to strengthen the sub-contracting requirement to local companies by foreign companies. This will require that for every sub-contracting done to a local company, it should be for a substantive section of the project under the guidance of the foreign contractor; instead of the periphery components of the project.

vi) Centralize the procurement of commonly used goods and services for the government to manage prices more effectively by creating a unified list of items to be centrally procured. This enables the authority to establish a schedule of items and their prices, ensuring consistent pricing across various government entities. Centralized procurement helps prevent discrepancies in costs and ensures that goods and services are purchased at standardized prices, promoting cost-effectiveness.

vii) Support vulnerable groups in procurement. Sustainable procurement should include mechanisms to empower vulnerable groups, such as MSMEs, women, and youth, by reserving procurement opportunities for these segments. This will contribute to job creation and economic inclusion while supporting local businesses; and

viii) Increase automation of procurement processes: Adopting automated procurement systems enhances transparency, reduces administrative costs, and limit opportunities for corruption. Automation also improves data management, allowing for better monitoring of procurement activities and ensuring compliance with sustainability requirements. Whereas some efforts have already been undertaken in this regard, more needs to be done to increase its scale across Government.

CHAPTER 26: RISK MANAGEMENT

26.1 The NDPIV Risk Profile

616. The NDPIV acknowledges that Uganda's developmental trajectory faces multiple risks that could hinder the realization of its objectives. The risks are categorized into Operational/Preventive Risks, External Risks, and Strategic Risks. These risks need to be proactively managed to ensure the sustainability and success of Uganda's economic and social development initiatives.

26.1.1 Operational/Preventive Risks

617. These risks arise from weaknesses within Uganda's systems, processes, and institutional capacities, directly affecting the efficiency of public service delivery and project execution under NDPIV.

i) **Infrastructure Gaps and Maintenance.** Challenges. Inadequate infrastructure, including poor road networks, unreliable electricity, and underdeveloped public utilities, continues to impede economic productivity and service delivery. Infrastructure deficits lead to delays in project implementation, increased costs, and reduced access to essential services, particularly in rural areas. As of 2023, only 25% of Uganda's roads are paved, with many rural roads in poor condition, hampering trade and connectivity (Uganda National Roads Authority, 2023). Uganda's national electricity access stands at 42%, with frequent outages disrupting industries and public services (Ministry of Energy and Mineral Development, 2023).

ii) **Weak Institutional Capacities and Corruption.** Weak institutional capacities, including understaffing, lack of technical expertise, and corruption, undermine the effective implementation of NDPIV programs. Poor governance and financial mismanagement delay project execution, inflate costs, and derail development outcomes. Uganda ranked 142nd out of 180 countries in Transparency International's 2023 Corruption Perceptions Index, with corruption estimated to cost the country 5% of its GDP annually (Transparency International, 2023). A 25% increase in corruption-related cases was reported in 2024, particularly in public procurement and infrastructure projects (Inspectorate of Government, 2024).

iii) **Supply Chain Disruptions.** Uganda faces operational risks from global supply chain disruptions, which affect the importation of essential construction materials, medical supplies, and energy resources. Delays in material and resource availability lead to project overruns and increase the cost of public projects. The World Bank reported a 38% rise in fuel prices in East Africa between 2022 and 2023 due to global conflicts and supply chain disruptions (World Bank, 2023). The National Medical Stores recorded 18% stockouts of critical medicines in health facilities due to supply chain issues (National Medical Stores, 2023).

26.1.2 External Risks

618. External risks are those beyond Uganda’s immediate control, often driven by global factors such as climate change, economic instability, and geopolitical tensions, which influence the country's growth prospects and stability.

i) **Global Economic Instability.** Uganda’s economy is vulnerable to fluctuations in the global market, including inflationary pressures, rising debt levels, and disruptions in trade. Global economic downturns reduce Uganda's export revenue, increase inflation, and strain fiscal budgets, limiting resources for NDPIV projects. Global growth is expected to slow to 2.9% in 2024, down from 3.4% in 2022, which may affect Uganda's export markets (IMF, 2023). Uganda’s inflation stood at 2.7% as of September 2024, driven by global fuel and food prices (UBOS, 2024).

ii) **Climate Change and Environmental Degradation.** Uganda is highly vulnerable to climate-related risks such as floods, droughts, and rising temperatures, which threaten its agriculture-based economy. Climate change undermines food security, agricultural productivity, and infrastructure resilience, leading to economic losses and increased poverty. Uganda has experienced a 1.3°C rise in average temperatures over the past 50 years, intensifying droughts and floods (Uganda National Meteorological Authority, 2023). The Ministry of Water and Environment reports that Uganda loses 2.8% of GDP annually due to climate-related impacts (Ministry of Water and Environment, 2023).

iii) **Geopolitical Conflicts.** Global and regional conflicts, including the war in Ukraine and instability in neighboring regions, have a significant impact on Uganda’s economic stability, particularly through disruptions in trade and rising fuel prices. Geopolitical instability increases costs of imports, affects food and fuel supplies, and creates security concerns due to refugee influxes. Uganda hosts over 1.5 million refugees, the largest number in Africa, placing pressure on public services (UNHCR, 2023). The World Bank reported a 38% increase in fuel prices in East Africa between 2022 and 2023, largely due to the Ukraine conflict (World Bank, 2023).

26.1.3 Strategic Risks

619. **Strategic risks are long-term and systemic challenges that could affect Uganda’s ability to achieve sustainable development.** These include risks related to governance, security, and demographic pressures.

i) **Governance and Political Instability.** Weak governance, political unrest, and insecurity, particularly in the eastern and northern regions, pose serious threats to Uganda's stability and the execution of NDPIV initiatives. Governance challenges reduce investor confidence, disrupt economic activities, and divert public resources from development projects to address security concerns. The Uganda Police Force reported 450 terrorism-related incidents in 2023, primarily attributed to insurgent groups like the Allied Democratic Forces (Uganda Police Force, 2023). Uganda ranked 36th in the Global Terrorism Index in 2023 due to increased extremist activity in the region (Global Terrorism Index, 2023).

ii) **Demographic Pressures.** Uganda's rapidly growing population presents a long-term strategic risk, as it exerts pressure on public services, infrastructure, and job markets, particularly for the youth. High youth unemployment and demographic growth can lead to social unrest, reduced economic productivity, and strains on healthcare, education, and housing services. Uganda’s population is growing at 3.3% per year, with the population projected to reach 60 million by 2040 (UBOS, 2023). Youth unemployment remains high, with 13.3% of Ugandans aged 15-24 unemployed as of 2023 (UBOS, 2023).

iii) **Corruption and Financial Mismanagement.** Corruption and financial mismanagement continue to undermine Uganda’s development efforts, posing a major strategic risk to the success of NDPIV. Misallocation of funds and corruption delay project implementation, inflate costs, and erode public trust in government institutions. Corruption costs Uganda an estimated 5% of GDP annually, with the country ranking 142nd out of 180 countries in the 2023 Corruption Perceptions Index (Transparency International, 2023). The Inspectorate of Government reported a 25% rise in corruption-related cases in 2024, particularly in infrastructure projects (Inspectorate of Government, 2024).

620. **Generally, the NDPIV-2025/26–2029/30 faces a complex risk landscape, including operational, external, and strategic risks that must be managed effectively to achieve the plan’s goals.** By strengthening infrastructure, addressing institutional weaknesses, and adopting a risk-informed approach, Uganda can mitigate these risks and ensure that its development initiatives are resilient and sustainable. Prioritizing governance reforms, building climate resilience, and investing in youth employment will be critical to navigating these challenges successfully.

ANNEXES

Annex 1: NDP Results Framework for Goal and Objective Level Indicators

Goal & Strategic Objectives	Result	Development Indicators	Baseline FY2023/24	Target FY29/30	Target Vision 2040
Goal: Achieve higher household incomes, full monetization of the economy and employment for sustainable socio-economic transformation.	Higher Household incomes	Real GDP growth rate	6.1	10.6	8.22
		Income per capita (USD)	1,146	2,008	9500
		Population below the poverty line	20.3	15.51	5
		Gini Coefficient	0.413	0.37	0.32
		Average monthly nominal household income (UGX)	200,000	578,635	2,737,566
		Adjusted Net Savings (Current UGX, Billion)	36,281	52,729	
		Adjusted Net National Income (Current UGX, Billion)	171,802	250,246	
	Employment	Share of working population (%)	74.4	87.2	94
		Labor force participation rate (%)	48	68.6	80
		Share of national labor force employed less subsistence (%)	67	74.1	71
		Employment population ratio	43	59.8	95
		Labor productivity (GDP per worker, USD)-Agriculture	1,048	2,096	6,790
		Labor productivity (GDP per worker, USD)-Industry	7,542	13,866	24,820
		Labor productivity (GDP per worker, USD)-Services	3,150	5,791	25,513
	Full monetisation of the economy	Proportion of households in subsistence economy	33	31	21
		Proportion of the population using mobile banking services	64	71	100
		Remittances as a Share of GDP	2.63	3.13	5.13
		Savings-to-GDP Ratio	21.41	21.76	23.18
		Financial sector inclusion-formal	68	74	100
Strategic Objective 1: Sustainably increase production, productivity and value addition in agriculture, industry, tourism,	increased production volumes and earnings by firms and households in agriculture, tourism, minerals, and oil & gas, ICT and financial services	1.1.1 Contribution to GDP-Agriculture	24	24.80	10.40
		1.1.2 Contribution to GDP-Tourism	5.5	6.5	
		1.1.3 Contribution to GDP-ICT	1.54	2.20	
		1.1.4 Contribution to GDP-Mining	1.90	2.40	
		1.1.5 Contribution to GDP-Oil & Gas	0	5.5	
		1.1.6 Contribution to GDP-Services	42.6	47.3	58.20

Goal & Strategic Objectives	Result	Development Indicators	Baseline FY2023/24	Target FY29/30	Target Vision 2040
minerals, oil & gas, ICT and financial services		1.1.7 Contribution to GDP-Industry	26.12	28.54	31.40
		1.1.8 Contribution to GDP-Financial Services	2.75	3.46	
		1.2 Merchandise export to GDP ratio	76	79.0	
Strategic Objective 2: Enhance human capital development along the entire life cycle	Improved learning outcomes and acquired skills relevant to the job market	2.1.1 Literacy rates	70	76.9	90
		2.1.2 Numeracy rates	65	71.8	85
		2.1.3a Survival rates Primary	34.2	55	95
		2.1.3b Survival rates Secondary	60	68	85
		2.1.4 Quality adjusted learning Years of Schooling (QALYS)	4.5	5.96	8
		2.1.5 Employers satisfied with the TVET training (%)	50	75	75
		2.1.6 Sports development index	0.3	0.389	
	Improved quality of life	2.2.1 Maternal Mortality Rate/ 100,000	189	73.08	15
		2.2.2 Infant Mortality Rate/ 1000	34	15.79	4
		2.2.3 U5 Mortality Rate/ 1000	46	25.77	8
		2.3.4 Neo-natal mortality Rate (per 1000)	22	20	
		2.2.5a Total Fertility Rate-Total	4.5	6.24	
		2.2.5b Total Fertility Rate-Urban	4.3	5.16	
		2.2.5c Total Fertility Rate-Rural	5.4	6.48	
		2.2.6 Population growth rate	2.9	2.7	2.4
		2.2.7 Life expectancy at birth in year	63.7	70.9	85
		2.2.8 Human Development Index	0.55	0.66	0.9
	Improved access to services for social care, protection, safety and equity	2.3.1a Access to safe water supply-Rural	67	80.4	
		2.3.1b Access to safe water supply-Urban	72.8	87.36	
		2.3.2 Sanitation coverage	79.5	95.4	
		2.3.3 Hygiene (Hand washing)	36	43.2	
		2.3.4 Proportion of population accessing social insurance (%)	5	6	
		2.3.5 Universal Health insurance coverage	1.1	2.4	
		2.3.6% of population receiving direct income support	0.5	0.6	
		2.3.7 Proportion of eligible population with access to social care services	2.1	2.52	
		2.3.8 Gender Inequality	0.527	0.632	

Goal & Strategic Objectives	Result	Development Indicators	Baseline FY2023/24	Target FY29/30	Target Vision 2040
		2.3.9 proportion of the population that is food secure	60	83.96	
Strategic Objective 3: Strengthen private sector capacity to drive growth and create jobs	Conducive environment for private sector investment is created, firms are competitive and meet national, regional and international standards	3.1.1 Manufactured Exports as a percentage of total exports	26.5	33.63	50
		3.1.2 Exports as a percentage of GDP	12.1	18.7	
		3.1.3 Growth in Private sector credit	2.5	10.0	
		3.1.4 Tax GDP ratio	12.9	15.7	25
		3.1.5 Savings as a percentage of GDP	20.54	25.0	35
		3.1.6 competitiveness index	48.94	58.73	
		3..1.7 Gross capital formation as a percentage of GDP	22.4	26.88	
		3.1.8 Percentage of the informal sector	80	67.07	50
	Youth, women and other categories of the labour force are empowered, innovate, develop enterprises and create decent jobs	3.2.1 Youth unemployment	13	10.4	
		3.2.2 No of Annual Jobs created	39,511	47,413	
Strategic Objective 4: Build and maintain strategic sustainable infrastructure in transport, housing, energy, water, industry and ICT	Improved transport services, connectivity and cost effectiveness usability	4.1.1 Proportion of paved national roads in fair to good condition	95.7	98	
		4.1.2 Proportion of paved national roads in fair to good condition	73	90	
		4.1.3 Percentage of District roads in fair to good conditions	69	83	
		4.1.4 Travel time within GKMA (min/km)	3.75	3	
		4.2.1 Volume of international air passenger traffic	1,932,094	3,011,942	
		4.2.2 Volume of domestic air passenger traffic	23,019	45,361	
		4.2.3 Freight Cargo traffic in tonnes (air) - Exported	38,453	78,506	
		4.2.4 Freight Cargo traffic in tonnes (air) -Imported	17,148	28,286	
		4.3.1 Freight Cargo on Lake Victoria (tonnes)	52,599	953,252	
		4.3.2 Passenger traffic by water %	2	2.6	
		4.4.1 Freight cargo by rail %	3	25	
		4.4.2 Travel time on railway network (in hours) - Mombasa-Kampala	20	15	
		4.4.3 Travel time on railway network (in hours) - Mwanza- Dar-Kampala	12	10	
	Increased access to clean, reliable, affordable and climate smart energies	4.5.1 Electricity consumption per capita	218	578	3668
		4.5.2 proportion of the population Households with access to electricity	58	100	80

Goal & Strategic Objectives	Result	Development Indicators	Baseline FY2023/24	Target FY29/30	Target Vision 2040
		4.6.1 Cost of electricity- Residential	23	18.4	
		4.6.2 Cost of electricity-Industrial large	9.8	7.84	
		4.6.3 Cost of electricity-Industrial -Extra Large	8	6.4	
		4.6.4 Cost of electricity-Commercial	17	13.6	
		4.7 Energy generation capacity (MW)	2047	15,420	52,000
	Increased land under irrigation	4.8 Cumulative WfP Storage capacity (million m3)	47.88	57.456	
	Increased penetration and usage of ICT services	4.9 Unit cost of internet (USD)	35	25	
		4.10 Internet penetration rate	67	77	
Strategic Objective 5: Strengthen good governance, security and the role of the state in development	Increased Peace, Stability, accountability and civic participation	5.1 Global Peace index (scale 1 to 5)	2.3	2.76	
		5.2. Crime rate (per 100,000)	502	100	
		5.3 Corruption Perception Index (100 being the best)	26	31.2	
		5.4 Democratic index	4.94	5.928	
	Increased government effectiveness, access to public goods & services, and good image	5.5 Government Effectiveness index	0.57	0.684	
		5.6 Foreign Direct Investment (percent of GDP)	2.8	3.7	
		5.7 Level of public satisfaction with service delivery	60	68.3	

Source: National Planning Authority

Annex 2: NDP Programme Level Results Framework (Intermediate Outcomes & Outputs)

Annex 3: NDP Local Government Level Results Framework (Intermediate Outcomes & Outputs)

Annex 4: Growth Enhancing Projects (Core Projects) and Annualized Project Costs (UGX Billions)

Project Title	Project Duration	Status	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	Total Cost
Construction of 138 HCIIIs and Completion of Central Warehouse at the National Medical Stores	5 years	Concept	-	-	-	-	-	-	
Construction of new health units in 132 Sub-Counties, Town Councils and Divisions	5 years	Concept	-	-	-	-	-	-	
Project For improvement of traffic control in Kampala City	4 years	Concept	-	-	-	-	-	-	
Olwiyo – Nimule (Uganda) –Juba (Sudan) 400kv Transmission Line Project	4 years	Concept	-	0.02	0.02	0.02	0.02	-	0.07
Nkenda (Uganda)-Beni- Bunia (D.R. Congo) 220kv transmission line project and associated substations	4 years	Concept	-	26.60	26.60	26.60	26.60	-	106.40
Upgrade of Mutundwe-Buloba-Kabulasoke-Masaka and Kabulasoke- Nkonge -Rugonjo-Nkenda 132kv transmission line and associated substation works	5 years	Concept	-	0.04	0.04	0.04	0.04	0.04	0.14
Supply of electricity to Standard Gauge Railway (SGR) Project	5 years	Concept	-	0.03	0.03	0.03	0.03	0.03	0.14
Coffee Value Chain Development Project	5 years	Feasibility	52.78	52.78	52.78	52.78	52.78	-	263.91
Strengthening health systems for primary health care	5 years	Feasibility	148.00	148.00	148.00	148.00	148.00	-	740.00
Rehabilitation and optimisation of Nalubaale and Kiira (380 Mw) Hydro Power Plants	5 years	Feasibility	181.57	181.57	181.57	181.57	181.57	-	907.86
Hoima- Kinyara- Kafu 220kv transmission line and associated substations project	4 years	Feasibility	101.52	101.52	101.52	101.52	-	-	406.10
Development of water-based eco adventure parks (Geothermal Spas and Resorts)	5 years	Feasibility	5.80	5.80	5.80	5.80	5.80	-	29.00
Rehabilitation of Regional Referral Hospitals	5 years	Implementation	26.00	26.00	26.00	26.00	26.00	-	130.00
Upgrading of Mpigi- Kasanje- Buwaya, Nateete-Nakawuka- Kisubi and connecting roads (71.15km) to paved standard	4 years	Implementation	65.81	65.81	65.81	65.81	-	-	263.26
Construction of 400kv Karuma-Tororo transmission line and 132kv Ntinda-Substation	5 years	Implementation	189.89	189.89	189.89	189.89	189.89	-	949.45
Masaka-Mwanza 400kv transmission line project and associated substations (Uganda Part)	4 years	Implementation	42.12	42.12	42.12	42.12	-	-	168.48
Development of Source of the Nile Project (Phase Ii)	5 years	Implementation	18.11	18.11	18.11	18.11	18.11	-	90.55
UWRTI infrastructure development project	3 years	Implementation	18.52	18.52	18.52	-	-	-	55.55

Project Title	Project Duration	Status	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	Total Cost
Uganda Climate Smart Agricultural Transformation Project (UCSATP)	5 years	Pre-Feasilbility	224.54	224.54	224.54	224.54	224.54	-	1,122.70
Kampala- Malaba Standard Gauge Railway Project (Eastern Route)	6 years	Pre-Feasilbility	1,528.51	1,528.51	1,528.51	1,528.51	1,528.51	1,528.51	7,642.53
Rehabilitation of Kampala – Jinja Highway (72km)	3 years	Pre-Feasilbility	78.17	78.17	78.17	-	-	-	234.50
132kv Mbale-Bulambuli-Kween transmission line and associated substations construction project	5 years	Pre-Feasilbility	61.91	61.91	61.91	61.91	61.91	-	309.55
Mirama-Kikagati-Nsongezi 132kv transmission line and associated substations	5 years	Pre-Feasilbility	32.44	32.44	32.44	32.44	32.44	-	162.22
Greater Kampala Metropolitan Area Urban Development Program (GKMA-UDP)	5 years	Pre-Feasilbility	426.97	426.97	426.97	426.97	426.97	-	2,134.87
Midstream petroleum Infrastructure Development Project Phase Ii	5 years	Pre-Feasilbility	1.50	78.50	66.10	63.80	30.50	-	240.40
East Africa Crude Oil Pipeline (EACOP)			-	-	-	-	-	-	-
Support To Uganda's Mineral-Based Industrialization Project (SUMIP)	5 years	Pre-Feasibility	71.74	71.74	71.74	71.74	71.74	-	358.69

Source: National Planning Authority, 2024

Annex 5: Programme Human Resource Requirements

Table 1.1: Estimated 5-year HR Gaps for the Agro-industrialisation Programme

Field/Skill Area	Status	Estimated 5-year Gaps	Entry-Level Education
Agricultural Engineering		538	Bachelor's
Agricultural Finance Experts		295	Master's
Irrigation engineers		330	Bachelors
Quantitative animal breeder		103	PHD
Agricultural Lawyer		970	Bachelor's
Agricultural Biotechnology Experts		200	Master's
Agricultural Risk Management Analysts		175	Master's
Livestock Nutritionists		225	Master's
Power Grid Maintenance Technicians		125	Diploma
Process Safety Engineers		290	Master's
Process Safety Management Specialists		225	Master's
Soil Science		311	Bachelor's
Veterinary Medicine		400	Bachelor's
Agricultural Machine Operators		1600	Diploma
Animal Husbandry		4920	Diploma
Animation and Game Development		3600	Technical/Vocational
Dairy Science specialists		2081	Bachelor's
Disaster Risk Management		1652	Bachelor's
Fish Farming		4830	Lower Secondary
Fish Processing and Preservation		1296	Diploma
Fisheries Management		1600	Diploma
Food and Beverage Processing		5280	Diploma
Food microbiologists		1368	Bachelor's
Food Science and Technology		3600	Bachelor's
Food Science specialists/ Food Scientists		1321	Bachelor's
Animal Health Specialists		3150	Bachelors
Veterinary Epidemiologist		1358	Bachelors
Quality Regulators		475	Diploma
Mechanical technicians		760	Technical/Vocational
Bio-Medical Engineering		215	Bachelors
Bio- Mechanical Equipment Management		223	Diploma
Laboratory Specialists		1697	Bachelors
Wild Life Medicine Specialists		1212	Bachelors
Entomologist		727	Bachelors
Veterinary Doctors		1309	Bachelors
Apiarists and Sericulturists		750	Bachelors
Agricultural Policy Support Staff		(850)	Bachelor's
Agricultural Processing Assistants		(1,300)	Diploma

Agricultural Supply Store Workers		(1,650)	No Formal Education
Animal Feed Suppliers		(6,300)	No Formal Education
Animal Husbandry Assistants		(903)	No Formal Education
Basic Agricultural Business Workers		(1,050)	No Formal Education
Basic Agricultural Data Analysts		(50)	Diploma
Basic Agricultural Data Entry Clerks		(1,350)	No Formal Education
Basic Agricultural Data Specialists		(120)	Diploma
Basic Agroforestry Workers		(550)	No Formal Education
Basic Agro-Processing Laborers		(800)	No Formal Education
Basic Animal Breeding Workers		(1,650)	Technical/Vocational
Basic Animal Health Workers		(1,850)	Technical/Vocational
Basic Animal Nutrition Workers		(700)	No Formal Education
Basic Aquaculture Technicians		(1,550)	Technical/Vocational
Basic Aquaculture Workers		(560)	No Formal Education
Basic Crop Breeding Laborers		(8,715)	Bachelor's
Basic Crop Maintenance Laborers		(2,100)	No Formal Education
Basic Crop Production Workers		(2,300)	No Formal Education
Basic Crop Protection Workers		(60)	No Formal Education
Sustainable Farming Techniques		(7,500)	Technical/Vocational
Subsistence Crop Farmers		(810,174)	No formal educational
Subsistence Livestock Farmers		(12,521)	No formal educational

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.2: Estimated 5-year HR Gaps for Extractive Resources Programme

Occupation title	Status	Estimated 5-year Gaps	Entry-Level Education
Gold Processing Plant Specialists		100	Master’s
Industrial Engineering specialists		650	Master’s
Industrial Process specialists		172	Master’s
Machine Learning Engineers		650	Master’s
Mineral Resource Analysts		250	Master’s
Mineral Resource Development Specialists		250	Master’s
Pipeline engineers		278	Master’s
Oil Refinery Safety Engineers		225	Bachelor’s
Refinery technicians		570	Diploma/Technical
Oil Well Logging Specialists		175	Bachelor’s
Environmental scientists		600	Master’s
Oilfield Quality Control Specialists		225	Master’s
Petroleum Geologists		700	Master’s
Polymer Scientists		140	Master’s
Process Safety Engineers		290	Master’s
Process Safety Management Specialists		225	Master’s
Process Simulation Analysts		47	Master’s
Process Simulation Engineers		56	Master’s
Product Design Engineers		300	Bachelor’s
Robotics Engineers		250	Master’s
Underground Mining Engineers		260	Master’s
Biochemistry Specialists		56	PhD
Bioenergy Specialists		1,050	Technical/Vocational
Biotechnology Specialists		1,360	Bachelor’s/Master’s
Environmental Policy professionals		740	Master’s
Petroleum Engineering professionals		543	Bachelor’s
Geophysicists		680	Bachelor’s
Drilling technicians		1,268	Diploma/Technical
Plumbing Labourers		2,940	Lower Secondary
Renewable Energy Policy		2,500	Master’s
Renewable Energy Systems		1,137	Bachelor’s
Renewable Energy Technician		2,920	Diploma
Renewable Energy Technicians		3,553	Diploma

Petroleum lawyers		(950)	Bachelor's
Heavy truck driving		(2,830)	Technical/Vocational
Mineral processing workers		(1,550)	Technical/Vocational
Quarry Labourers		(5,090)	Diploma
Artisanal miners		(4,911)	Lower Secondary
Plumbing and Pipefitting		(7,200)	Technical/Vocational
Welding workers		(6,700)	Lower Secondary

Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand

Table 1.3: Estimated 5-year HR Gaps for the tourism development programme

Occupation Title	Status	Estimated 5-year Gaps	Entry-Level Education
Border Control Specialists		250	Bachelor's
Border Security Analysts		140	Bachelor's
Tourism Financial Analysts		60	Master's
Tourism Policy Analysts		150	Master's
Tourist Service Quality Assessors		60	Master's
Destination Branding Specialists		75	Bachelor's
Destination Event Planners		55	Bachelor's
Destination Marketing Analysts		350	Master's
Hospitality Training Specialists		673	Bachelor's
Tourism Marketing Specialists		300	Master's
Event Planning and Management experts		1,360	Diploma
Hotel Management Specialists		1,930	Diploma
Adventure Tourism Coordinators		580	Diploma
Tourism Guides		1,137	Diploma
Adventure Tourism Planners		800	Bachelor's
Cultural Experience Facilitators		560	Bachelor's
Cultural Heritage Management Specialists		800	Bachelor's
Tourism Development Planners		400	Master's
Tourism Resource Managers		1,137	Bachelor's
Travel Safety Analysts		580	Master's
Travel Safety Coordinators		1,881	Diploma
Commercial Cleaners		(9,000)	Bachelor's
Customer Service Representatives		(1,350)	Diploma
Event Logistics Assistants		(1,860)	Diploma
Event Planners		(700)	Bachelor's
Event Setup Coordinators		(1,250)	Diploma
Event Setup Staff		(1,200)	Primary Level
Freight Handler		(131)	Bachelor's
Front Office Managers		(3,500)	Bachelor's
General Tour Guides		(903)	Diploma
Hotel Reservation Coordinators		(110)	Diploma
Hotel Sales Representatives		(1,300)	Diploma
Housekeeping Staff		(1,400)	Primary Level
Leisure and Recreational Staff		(550)	Primary Level
Local Cultural Performers		(2,080)	Primary Level
Local Tour Guides		(850)	Diploma

Resort Service Staff		(903)	Diploma

Source: NPA HR Projection Model. *****Figures in brackets represent over supply, otherwise, net demand*

Table 1.4: Estimated 5-year HR Gaps for Natural Resources Programme

Qualifications and Skills fields	Status	Estimated 5-Year Gap	Entry-Level Education
Applied Groundwater Modelling Specialists		191	Bachelor's
Atmospheric Scientists		143	Bachelor's
Environmental Engineering		960	Bachelor's
Environmental Health		450	Master's
Environmental Policy Analysts		700	Master's
Environmental Policy Researchers		48	PhD
Wind Energy experts		900	Technical
Climate Change Specialists		234	Bachelor's
Meteorologists		195	Bachelor's
Environment/Natural Resources Economists		353	Bachelor's
Air Quality Specialist		102	Bachelor's
Disaster Preparedness and Management Specialist		159	Bachelor's
Carbon Credit Specialists		65	Bachelor's
Faecal Sludge Management Specialists		239	Bachelor's
Geographical Information Systems (GIS) experts		15	Bachelor's
Dam safety Experts		20	Bachelor's
Social Safeguard Experts		60	Bachelor's
Geotechnical Engineers and Dredging Specialists		96	Bachelor's
Hydrology and Hydraulics Specialists		478	Bachelor's
Integrated Hydrological and River Modelling Specialists		191	Bachelor's
River Flood Analysis and Modelling Specialists		143	Bachelor's
Conservation Biology Specialists		860	Bachelor's
Ecological Restoration Specialists		765	Bachelor's
Environmental lawyers		407	Bachelor's
Statisticians		211	Bachelor's
Data Scientists		302	Bachelor's
Ecosystem Biologist and Biogeochemistry Specialists		956	Bachelor's
Solar Energy experts		4,920	Technical
Waste Management and Recycling		4,500	Lower Secondary
Environmental Impact Assessment specialists		919	Bachelor's
Environmental Engineers		956	Bachelor's
Environmental Scientists and Specialists		287	Bachelor's

Forest Ecology Specialists		956	Bachelor's
Renewable Energy Specialists		287	Bachelor's
Soil Science and Soil Fertility Specialists		215	Bachelor's
Water Science and Quality Specialists.		956	Bachelor's
Waste Management		(8,000)	Diploma

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.5: Estimated 5-year HR Gaps for the Manufacturing Programme

Occupational Title	Status	Estimated 5-year Gaps	Entry-Level Education
Advanced Process Analysts		595	Master's
AI Research Scientists		70	PhD
AI Systems Engineers		202	Master's
Big Data Analysts		450	Master's
Biomedical Engineering		1,992	Bachelor's
Biopharmaceuticals		400	Master's
Cloud Computing Specialists		450	Bachelor's
Industrial Process Consultants		172	Master's
Machine Learning Engineers		650	Master's
Process Simulation Analysts		47	Master's
Process Simulation Engineers		56	Master's
Product Design Engineers		300	Bachelor's
Renewable Energy Engineers		200	Master's
Robotics Engineers		250	Master's
Smart Grid Analysts		55	Bachelor's
Underground Mining Engineers		260	Master's
Water Resource Management Specialists		615	Master's
Wind Energy technicians		900	Technical/Vocational
Bioenergy technicians		3,600	Technical/Vocational
Biotechnology Specialists		2,160	Bachelor's/Master's
Civil Engineering professionals		3,184	Bachelor's
Cotton Ginning and Spinning technicians		1,000	Diploma
Electrical Engineering professionals		3,554	Bachelor's
Food and Beverage Processing		5,280	Diploma
Food Science and Technology professionals		3,600	Bachelor's
Garment Manufacturing technicians		837	Diploma
Greenhouse Management specialists		655	Bachelor's
Leather Goods Manufacturing		651	Diploma
Leather Tanning and Processing		651	Lower Secondary
Soil Science professionals		576	Bachelor's
Solar Panel Installation and Maintenance		4,500	Diploma
Textile Engineering professionals		900	Bachelor's
Waste Management and Recycling experts		4,500	Lower Secondary

Crane Operators		(1080)	Bachelor's
Database Designers and Administrators		(1034)	Bachelor's
Forklift Drivers		(1,520)	Bachelor's
Freight Handlers		(131)	Bachelor's
Lift Operators		(911)	Bachelor's
Supply and Distribution Manager		(1,573)	Bachelor's
Supply Logistics Clerk		(2,297)	Master's
Manufacturing Quality Manager		(2,315)	Bachelors
Quality Manager		(2,435)	Bachelors
Quality Systems Auditor		(109)	Bachelors

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.6: Estimated 5-year HR Gaps for the Integrated Transport Infrastructure Programme

Occupations Title	Status	Estimated 5-year Gaps	Entry-Level Education
Environmental Engineering and Policy Analysts		140	Bachelor's
Geographical Information Systems (GIS)		390	Bachelor's/Master's
Geotechnical Engineers		155	Master's
Hydroelectric Plant Engineers		100	Master's
Hydropower Plant Maintenance Engineers		162	Master's
Infrastructure Investment Analysts		184	Bachelor's
Materials Scientists		150	Master's
Traffic Engineering professionals		109	Master's
Infrastructure Risk analysis and Management		195	Bachelor's
Smart Grid Analysts		155	Bachelor's
Smart Transportation Systems Engineers		255	Master's
Aviation Experts		350	Master's
Transport Economists		105	Master's
Civil Engineers		630	Master's
Environmental Engineering experts		145	Master's
Mechanical Engineers		135	Bachelor's
Water and Sanitation Engineering Technicians		155	Bachelor's
Automotive and Power Engineering experts		183	Master's
Civil Engineering Technicians		850	Master's
Logistics and Supply Chain Managers		1,184	Bachelor's
Railway Engineering professionals		1,731	Bachelor's
Environmental Impact Assessment specialists		919	Bachelor's
Mechanics and Automotive Repair		3,700	Certificate
Infrastructure Project Managers		460	Bachelor's
Geotechnical Engineers		865	Master's
Advanced Roadway Design Engineers		1,105	Bachelor's
Rail Infrastructure Specialists		1,435	Bachelor's
Advanced Traffic Management Specialists		774	Master's
Fabrication workers (fuel tanks, semi-trailers, etc.)		1,300	Certificate/Diploma
Machining & Fitting workers		1,800	Certificate/Diploma
Heavy Plant Repair workers		1,030	Certificate/Diploma
Road Safety Engineers		625	Bachelor's
Infrastructure Investment Analysts		580	Bachelor's
Driving Instructors		(520)	Bachelor's
Heavy Machinery Operators		(1,600)	Diploma
Road and Bridge Construction workers		(5,800)	Diploma
Foremen, Headmen and Masons workers		(4,030)	Secondary

Phosphate Mixer and Stone Crushing workers		(3,040)	Secondary
Track Maintenance Technicians		(1,447)	Bachelor's
Urban Planning professionals		(3,080)	Bachelor's
Vehicle Body Builder and Trimmer		(2,163)	Diploma
Vehicle Painters		(1,959)	Diploma

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.7: Estimated 5-year HR Gaps for the Energy development programme

Field/Skill Area	Status	Estimated 5-year Gaps	Required Education
Nuclear Engineering		1,130	Bachelor's/Master's
Nuclear Reactor Operation		240	Certificate
Nuclear Chemistry		630	Master's
Nuclear Physics		500	Master's
Nuclear Geology		570	Master's
Nuclear Safety and Security		1,720	Masters/Diploma
Nuclear Law		165	Master's
Radiation Protection		1,960	Diploma
Nuclear Technicians		1,324	Diploma
Nuclear Craftsmen		3,600	Certificate
Advanced Cybersecurity Specialists		582	Master's
Artificial Intelligence Specialists		600	Master's
Big Data Analysts		450	Master's
Data Privacy Experts		350	Bachelor's
Green Hydrogen Economy		139	Bachelor's
Agroforestry		4200	Bachelor's
Economics (Specialized)		624	Master's
Electrical Engineering		3554	Bachelor's
Electrical Installation		4037	Certificate
Electrical Work		4320	Technical/Vocational
Mechanical Engineering		3240	Bachelor's
Radiology		900	Bachelor's/Master's
Renewable Energy Technician		4920	Diploma
Renewable Resource Management		1800	Bachelor's
Software Engineering		1152	Bachelor's
Civil Engineering		3184	Bachelor's
Accounting occupations		(3,150)	Bachelor's
Banking and Insurance		(3,150)	Bachelor's
Business Administration		(2,450)	Bachelor's
Community Development		(6,965)	Bachelor's
Computer Science		(2,870)	Diploma
Freight Handler		(131)	Bachelor's
Front Office Managers		(3,500)	Bachelor's
Gender and Development		(5,950)	Bachelor's
Mass Communication		(6,965)	Bachelor's

Public Administration		(5,950)	Bachelor's
Records Management		(5,215)	Diploma
Statistics		(5,950)	Bachelor's
Supply and Distribution Manager		(1,573)	Bachelor's
Transportation and Logistics		(3,500)	Bachelor's

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.8: Estimated 5-year HR Gaps for the Digital Transformation Programme

Occupations Title	Status	Estimated 5-year Gaps	Entry-Level Education
Cloud Computing Engineers		900	Master's
Cybersecurity Specialists		582	Master's
AI Research Scientists		700	PhD
AI Systems Engineers		202	Master's
Big Data Analysts		450	Master's
Blockchain Developers		500	Bachelor's
Cybercrime Investigators		600	Bachelor's
Cybersecurity Architects		250	Master's
Data Scientists		700	Master's
DevOps Engineers		350	Bachelor's
Digital Forensics Experts		200	Master's
Human-Computer Interaction Specialists		250	Master's
IT Solutions Architects		300	Master's
Machine Learning Engineers		650	Master's
Network Architects		600	Master's
Smart Grid Analysts		55	Bachelor's
Software Architects		650	Master's
Virtual Reality Developers		150	Master's
Animation and Game Development		3600	Technical/Vocational
Digital Literacy		1500	Technical/Vocational
Digital Marketing		4620	Bachelor's
Disaster Risk Management		1652	Bachelor's
ICT and Digital Literacy		4920	Diploma
Information Technology		3930	Bachelor's
Mobile Application Development		4320	Bachelor's
Network Administration		4920	Bachelor's
Network Engineering		5400	Bachelor's
Software Engineering		1152	Bachelor's
General Applications Programmers		(371)	Bachelor's
Computer Science		(2,870)	Diploma
Database Designers and Administrators		(134)	Bachelor's
Graphic Design and Multimedia		(3,500)	Diploma
Systems Administrators		(3,447)	Bachelor's
Basic IT Consultants		(1,450)	Bachelor's
Basic IT Support Technicians		(2,300)	Diploma
Junior System Administrators		(1,800)	Bachelor's
Network Administrators		(2,000)	Bachelor's
Web Design Assistants		(2,000)	Diploma
Web Developers		(1,950)	Bachelor's
General Software Developers		(2,200)	Bachelor's

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.9: Estimated 5-year HR Gaps for Legislature, Representation and Oversight Programme

Occupations Title	Status	Estimated 5-year Gaps	Entry-Level Education
Budget and Fiscal policy Analyst		75	Master's
Legislative Draftsmen		112	Master's
Anti-Trafficking Specialists		90	Master's
Counterterrorism Experts		750	Master's
Crisis Negotiators		500	Master's
Cybercrime Investigators		600	Bachelor's
Data Privacy Experts		350	Bachelor's
International Relations Experts		300	Master's
National Security Analysts		225	Master's
Risk Management		125	Bachelor's
Technology Policy Analysts		200	Master's
Transport Economists		409	Bachelors
General Policy Analysts		763	Bachelors
Auditors		1,053	Bachelors
Criminal Justice		1,800	Bachelor's
Economics (Advanced)		624	Master's
Human Rights		1,137	Bachelor's
International Relations		1,362	Bachelor's
Investment Management		1,453	Bachelor's
Journalism		5,280	Bachelor's
Law Enforcement		1,362	Diploma
Parliamentary Legal Advisors		612	Bachelor's
Parliamentary Budget Officer		127	Bachelor's
Public Policy		1,843	Master's
Legislators		(2,625)	Secondary
Legislative Assistants		(6,965)	Bachelor's
General Practice Lawyers/Advocates		(5,031)	Bachelor's
Political Science		(4,095)	Bachelor's
Public Administration		(2,520)	Bachelor's
Public Relations Specialists		(1,200)	Bachelor's
Librarian (Parliamentary Library)		(4,786)	Bachelor's
Administrative Assistants		(5,787)	Bachelor's
Records Officers		(4,339)	Bachelor's
Office Attendants		(5,209)	Bachelor's
Data Entry Clerks		(4,068)	Bachelor's
Research Assistants		(5,025)	Bachelor's

ICT Support Staff		(6,308)	Bachelor's

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.10: Estimated 5-year HR Gaps for the Public Sector Transformation Programme

Occupations Title	Status	Estimated 5-year Gaps	Entry-Level Education
Anti-Corruption Specialists		96	Master's
Anti-Money Laundering Specialists		108	Master's
Anti-Trafficking Specialists		110	Master's
Public Sector Reform Specialists		340	Master's
Big Data Analysts		250	Master's
Biostatistics		150	Master's
Border Control Specialists		150	Bachelor's
Educational Policy Analysts		120	Master's
Educational Research Analysts		170	Master's
Environmental Policy Analysts		700	Master's
Operations Research Specialists		110	Master's
Public Security Management Specialists		250	Master's
School Curriculum Analysts		550	Master's
Business Innovation		4,596	Bachelor's
Business Management		2,930	Bachelor's
Civil Engineering		3,184	Bachelor's
Disaster Risk Management		1,652	Bachelor's
Public Sector Economists		1,547	Bachelor's/ Master's
Food and Beverage Processing		1,280	Bachelor's
Housing and Urban Development professionals		2,100	Bachelor's
International Relations professionals		1,362	Bachelor's
Investment Management professionals		1,453	Bachelor's
Waste Management and Recycling workers		4,500	Lower Secondary
Water Resource Management		2,400	Bachelor's
Accounting professionals		(3,150)	Bachelor's
Procurement Officers		(2,625)	Bachelor's
Banking and Insurance		(3,150)	Bachelor's
Business Administration		(2,450)	Bachelor's
Commercial Cleaners		(2,180)	Bachelor's
Community Development		(3,965)	Bachelor's
Customer Service Representatives		(1,350)	Diploma
Front Office Managers		(3,500)	Bachelor's
Gender and Development experts		(3,950)	Bachelor's
Human Resource Managers (Public Sector)		(2,450)	Bachelor's
Lawyers/ Legal Advisors (Public Sector)		(3,400)	Bachelor's
Office Administration workers		(4,400)	Diploma

Office Cleaning workers		(3,600)	Primary Level
Sanitation and Hygiene workers		(2,070)	Bachelor's
Social Work and Social Administration workers		(3,850)	Bachelor's

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.11: Estimated 5-year HR Gaps for the Regional Development Programme

Occupation Title	Status	Estimated 5-year Gaps	Entry-Level Education
Telecommunications Engineers		292	Masters/Bachelor's
Energy and Infrastructure Planners		377	Masters/Bachelor's
Transport Engineers		375	Masters/Bachelor's
Geospatial Information Systems (GIS) Specialists		365	Masters/Bachelor's
Disaster Risk Reduction Specialists		433	Masters/Bachelor's
Water and Sanitation Officers		245	Masters/Bachelor's
Medical Superintendents (regional and districts)		368	Masters/Bachelor's
Community Development Workers		292	Bachelor's
Urban and Regional Planners		310	Bachelor’s
District Health Officers		289	Masters/Bachelor's
Public Works Engineers		277	Bachelor's
Inspector of Schools		293	Masters/Bachelor's
Environmental Conservation Officers		392	Bachelor's
Surveyors and Cartographers		475	Bachelor's
Social Workers (Regional Focus)		255	Bachelor's
Local Government Auditors		165	Bachelor's
Physical Planners		187	Masters/Bachelor's
IT Systems Administrators (Regional Offices)		475	Bachelor's
Public Finance Specialists		275	Master's
Construction Managers (Regional Projects)		392	Bachelor's
Disaster Response Coordinators		263	Bachelor's
Production Officers		256	Masters/Bachelor's
Decentralization Experts		275	Master's
Local Economic Development Specialists		392	Bachelor's
Rural Development specialists		110	Master's
Refugee Response Coordinators		377	Bachelor's
Environmental & Social Impact Assessors		392	Bachelor's
Agribusiness Development Officers		110	Bachelor's
Vocational Trainers & Instructors		150	Diploma
Transport & Logistics Specialists		492	Bachelor's
Rural Tourism Development Officers		365	Bachelor's
Regional Planning Officers		375	Bachelor's
Social Protection Officers		592	Bachelor's
Veterinary Officers		465	Bachelor's
Basic Administrative Roles (Local Authorities)		(650)	Diploma

Regional Public Administrators		(1,235)	Diploma
Library Science (Regional Services)		(575)	Diploma
Elementary Construction Workers		(2,175)	O-Level
Data Entry Clerks		(2,435)	Bachelor's /Diploma
Human Rights Officer		(1,983)	Bachelor's

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.12: Estimated 5-year HR Gaps for the Development Plan Implementation Programme

Occupation Title	Status	Five-Year Estimated Gap	Entry-Level Education
Public Sector Management Experts		131	Master's/ Bachelor's
Infrastructure Planning Specialists		380	Master's/ Bachelor's
Public Policy Analysts		108	Master's/ Bachelor's
Budget Analysts		135	Master's/ Bachelor's
Public Financial Management Specialists		162	Master's/ Bachelor's
Investment and project development officers		197	Master's/ Bachelor's
Project Managers (Public Sector)		209	Master's/ Bachelor's
Risk Management Specialists		324	Master's/ Bachelor's
Monitoring and Evaluation Specialists		250	Master's/ Bachelor's
IT Systems Specialists		108	Master's/ Bachelor's
Data scientists		104	Bachelor's
Capacity Building Specialists		421	Master's/ Bachelor's
Quality Assurance Specialists		342	Bachelor's
Grants and Contracts Managers		196	Bachelor's
Environmental Management Specialist		244	Bachelor's
Government Legal Advisors		163	Bachelor's
Policy Implementation Officers		284	Bachelor's
Social Development Specialists		432	Bachelor's
Operational Researchers		674	Bachelor's
Governance and Accountability Advisors		277	Master's/ Bachelor's
Resource Mobilization Specialists		236	Master's/ Bachelor's
Economists (Government Policy)		292	Master's
Local Government Administrators		110	Bachelor's
Development Plan Coordinators		25	Master's
Statisticians (Public Sector)		192	Bachelor's
Procurement Specialists		(560)	Bachelor's
Gender Specialists		(213)	Master's/ Bachelor's
Accountants and Financial Auditors		(200)	Bachelor's

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.13: Estimated 5-Year HR Gaps for the Sustainable Urbanization and Housing Programme

Occupations Title	Status	Estimated 5-year Gaps	Entry-Level Education
Sustainable Architects		250	Bachelor's
Environmental Science Professors		182	Master's
Geographical Information Systems (GIS)		960	Bachelor's/Master's
Urban Resilience Planning		350	Master's
Water Resource Management Specialists		615	Master's
Building Code Compliance Officers		1,070	Bachelor's
Building Code Inspectors		800	Bachelor's
Green Building Consultants		1,950	Bachelor's
Housing Market Analysts		250	Bachelor's
Housing Finance Specialists		900	Master's
Land and Housing Research Specialists		107	Master's
General Architects		1,216	Bachelor's
Building and Construction Technology		2,601	Diploma
Civil Engineering		1,184	Bachelor's
Electrical Engineering		1,554	Bachelor's
Electrical Installation		1,037	Certificate
Waste Management Specialists		837	Bachelor's
Waste Management and Recycling workers		2,950	Lower Secondary
Water Resource Management		,400	Bachelor's
Land Use Planning and Development Specialists		115	Master's
Land Use Policy Experts		350	Master's
Property Development Financial Managers		115	Bachelor's
Property Development Risk Analysts		750	Bachelor's
Property Management Specialists		1,550	Bachelor's
Property Valuers		2,150	Bachelor's
Urban Transport Planners		1,090	Master's
Plumbing		(1,236)	Technical/Vocational
Public Health Planners		(2,330)	Bachelor's
Road and Bridge Construction Labourers		(3,040)	Diploma
Road Construction and Maintenance Labourers		(6,300)	Lower Secondary
Building Project Support Staff		(115)	Diploma
Building Quality Inspectors		(5,750)	Bachelor's
Building Site Assistants		(2,000)	Diploma
Building Site Coordinators		(5,500)	Diploma
Building Technicians		(3,750)	Diploma
Construction Site Supervisors		(5,000)	Diploma
General Administrative Assistants		(3,500)	Diploma
Construction Project Managers		(1,750)	Bachelor's
Land and Property Management Assistants		(250)	Diploma
Property Management Clerks		(2,250)	Lower Secondary

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.14: Estimated 5-year HR Gaps for the Human Capital Development Programme

Occupation title	Status	Estimated 5-year Gaps	Entry-Level Education
Advanced Endoscopy		300	Master's
Advanced Pediatric Care		350	Master's
Cardiothoracic Surgery		350	Master's
Cardiovascular Imaging		400	Bachelor's
Clinical Biochemistry		600	Bachelor's
Clinical Cardiology		450	Master's
Metabolic Medicine		350	Master's
Nephrology		300	PhD
Oncology		650	Master's
Orthodontists		225	Master's
Orthopedic Rehabilitation		350	Master's
Reproductive Endocrinology		400	Master's
Rheumatology		350	Master's
Sports Medicine		400	Bachelor's
Urology		350	Master's
Vascular Surgeons		400	Master's
Virology		350	Master's
Clinical Medicine		4,800	Bachelor's
Early Childhood Education		4,320	Diploma
Economics		1,547	Bachelor's
Economics (Advanced)		624	Master's
Endodontists		3,500	Master's
Midwifery		6,000	Diploma
Nutrition and Dietetics		4,200	Diploma
Occupational Health and Safety		1,137	Diploma
Occupational Therapy		1,137	Bachelor's
Organizational Behavior		1,137	Master's
Physiotherapy		1,657	Bachelor's
Sports Medicine Assistants		1,137	Diploma
Surgical Assistants		800	Diploma
Surgical Nurses		800	Diploma
Surgical Technologists		1,800	Diploma
Telehealth Coordinators		1,152	Bachelor's

Therapeutic Recreation		1,152	Bachelor's
Trauma Care Providers		960	Diploma
Trauma Psychologists		800	Master's
Urological Technicians		2,400	Diploma
Vision Care Specialists		800	Bachelor's
Women's Health Care Providers		3,640	Bachelor's
Women’s Health Specialists		3,640	Bachelor's
X-ray Technicians		1,137	Diploma
Adult Education occupations		(2,870)	Bachelor's
Basic Medical Science		(7,500)	Bachelor's
Basic Nursing		(9,000)	Diploma
Gender and Development		(5,950)	Bachelor's
Gender Studies		(2,450)	Bachelor's
General Medicine		(2,275)	Bachelor's
General Nursing		(3,150)	Diploma
Psychology		(5,950)	Bachelor's
Public Health		(6,965)	Bachelor's
Secondary School Teaching		(10,000)	Bachelor's
Social Work and Social Administration		(22,500)	Bachelor's
Sociology		(18,000)	Bachelor's
Teaching (Primary)		(8,715)	Bachelor's
Teaching (Secondary)		(7,875)	Bachelor's

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.15: Estimated 5-year HR Gaps for the Innovation, Technology Development and Transfer

Occupations Title	Status	Estimated 5-year Gaps	Entry-Level Education
Big Data Analysts		450	Master's
Cybersecurity Analysts		550	Bachelor's
Cybersecurity Architects		250	Master's
Prototype Engineers		350	Bachelor's/Master's
Data Scientists		700	Master's
DevOps Engineers		350	Bachelor's
Digital Data Architects		200	Master's
IoT (Internet of Things) Experts		450	Master's
Industry 4.0 Experts		125	Bachelor's/Master's
Robotics Engineers		250	Master's
Intellectual Property (IP) Managers		155	Bachelor's
Database Administration		1,800	Bachelor's
Research and Development (R&D) Scientists		1,920	Bachelor's /Diploma
Information Technology		3,930	Bachelor's
IT Support		1,453	Diploma
Mobile Application Development		4,320	Bachelor's
Mobile Phone Repair		6,000	Lower Secondary
Network Administration		4,920	Bachelor's
Network and System Administration		3,930	Diploma
Network Engineering		5,400	Bachelor's
Software Development Experts		2,400	Bachelor's/Master's
Software Engineering Experts		1,152	Bachelor's
Web Design and Development experts		3,150	Bachelor's /Diploma
Industrial Designers		950	Technical/Vocational
Database Designers and Administrators		(1,321)	Bachelor's
Graphic Design and Multimedia		(3,500)	Diploma
Systems Administrators		(3,447)	Bachelor's
Systems Analysts		(871)	Bachelor's
Videography workers		(4,700)	Diploma
Web and Multimedia Developers		(723)	Bachelor's
IT Consultants		(1,450)	Bachelor's
IT Managers		(550)	Bachelor's
IT Project Managers		(1,150)	Bachelor's
Sustainability Technologists		(300)	Diploma
IT Support Technicians		(2,300)	Diploma
Junior System Administrators		(1,800)	Bachelor's

Network Support Staff		(210)	Diploma
Network Technicians		(1,950)	Diploma
General Software Engineers		(2,100)	Bachelor's
Entry-Level Systems Engineers		(650)	Bachelor's
General Software Developers		(2,200)	Bachelor's

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.16: Estimated 5-year HR Gaps for Governance and Security Programme

Occupations Title	Status	Estimated 5-year Gaps	Entry-Level Education
Anti-Corruption Specialists		150	Master's
Anti-Money Laundering Specialists		138	Master's
Anti-Trafficking Specialists		160	Master's
Border Security Analysts		120	Bachelor's
Cyber Intelligence Analysts and Experts		350	Master's
Cybercrime Investigators		260	Bachelor's
Cybersecurity Analysts		150	Bachelor's
Cybersecurity Architects		120	Master's
Data Privacy Experts		250	Bachelor's
National Security Analysts		225	Master's
Public Security Management Specialists		250	Master's
Risk Management specialists		125	Bachelor's/ Master's
Security Analysis Trainers		125	Master's
Security Infrastructure Planners		340	Master's
Strategic Intelligence Analysts		300	Master's
Import-export Administrator		580	Diploma
Passport Officers (Issuing)		325	Bachelor's
Motor Vehicle Examiner		2,435	Diploma
Prison Wardens		910	Bachelor's
Prison Guards		2,223	Diploma
Custodial Services Officers		805	Diploma
Conflict Resolution and Peacebuilding		820	Bachelor's
Criminal Justices		800	Bachelor's
Disaster Risk Management		1,652	Bachelor's
Human Rights		1,137	Bachelor's
Network Security		651	Bachelor's
Public Policy analysts		1,843	Master's
Lawyers		(2,031)	Bachelor's
Security Guards		(11,892)	O-level Certificate
General Security Personnel		(1,100)	O-level Certificate
Governance Data Clerks		(9,300)	O-level Certificate
Office Support Staff		(2,000)	Bachelor's
Police Officers		(9,000)	Diploma/ Bachelor's
Policy Implementation Officers		(6,000)	Bachelor's
Records Clerks		(4,000)	Bachelor's
Security Assistants		(4,000)	O-level Certificate

Security Service Providers		(8,000)	Diploma/ Bachelor's
Security Supervisors		(7,000)	Diploma/ Bachelor's

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.17: Estimated 5-year HR Gaps for Administration of Justice Programme

Occupations Title	Status	Estimated 5-year Gaps	Entry-Level Education
Anti-Corruption Specialists		150	Master's
Anti-Money Laundering Specialists		118	Master's
Anti-Trafficking Specialists		120	Master's
Cybercrime Investigators		104	Bachelor's
Cybersecurity Analysts		132	Bachelor's
Cybersecurity Architects		127	Master's
Data Privacy Experts		160	Bachelor's
Justices and Judges		522	Bachelors
Chief Magistrates		484	Bachelors
Magistrates (Grade One)		1,772	Bachelors
Court Bailiff		2,650	Certificate
Registrars		360	Bachelors
Private Investigator		937	Diploma
Forensic Detective		917	Diploma
Detective Intelligence		642	Diploma
Adjudicator		703	Bachelors
Private Investigator		876	Diploma
Associate Legal Professional		1,766	Diploma
Labour Dispute Enforcement Agent		417	Diploma
Civil Engineering		3,184	Bachelor's
Senior State Attorneys		355	Bachelor's
Forensic Scientists		587	Master's
Policy Analyst		47	Bachelors
Statistician		29	Bachelors
Economist		338	Bachelors
Accountant		700	Diploma
Sign language interpreter		114	Bachelor’s
Auditor		321	Bachelor’s
Court transcribers		605	Bachelor’s
ICT Officer		660	Bachelor’s
Mediator		760	Certificate
Arbitrator		205	Certificate
Court Orderly		3,438	Certificate
Public Relations Specialists		56	Bachelors
Court Clerk/Court Interpreters		1,657	Diploma
Court Interpreters		313	Bachelors
Process servers		1756	Certificate
Lawyers/Advocates (General Practice)		(2,031)	Bachelor's
Human Resource Officer		(149)	Bachelors
Political Science		(1,095)	Bachelor's

Records Officer		(1,625)	Diploma
Public Administration		(1,950)	Bachelor's
Public Relations Specialists		(920)	Bachelor's
Court Clerk		(850)	Diploma
Court Interpreters		(677)	Diploma

*Source: NPA HR Projection Model. ***Figures in brackets represent over supply, otherwise, net demand*

Table 1.18: NDPIV Projects List

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
	AGRO-INDUSTRILISATION					
	Ongoing					
1	Rice Development Project Phase II	MAAIF	229.3	2020/21	2025/26	Ongoing
2	National Oil Seeds Project	MAAIF, LG	763.0	2022/23	2026/27	Ongoing
3	Uganda Climate Smart Agricultural Transformation Project (UCSATP)	MAAIF	1,143.4	2023/24	2027/28	Ongoing
4	Enhancing Agricultural Production, Quality and Standards for Market Access Project	MAAIF	673.5	2023/24	2027/28	Ongoing
5	Markets and Agricultural Trade Improvement Project 3 (MATIP 3)	MoLG	332.0	2024/25	2028/29	Ongoing
6	Improving Access and Use of Agricultural Equipment and Mechanisation through the use of labor-saving technology	MAAIF	52.0	2014/15	2025/26	Ongoing
7	National Oil Palm Project	MAAIF	296.4	2018/19	2027/28	Ongoing
8	Rice Development Project Phase II	MAAIF	46.3	2021/22	2025/26	Ongoing
9	Coffee Value Chain Development Project	UCDA	263.9	2023/24	2028/29	Ongoing
10	Water for Production Regional Centre - West Phase II	MoWE	100.0	2024/25	2028/29	Ongoing
11	Water for Production Regional Centre- North Phase II	MoWE	95.0	2024/25	2028/29	Ongoing
12	Water for Production Regional Centre - East Phase II	MoWE	95.0	2024/25	2028/29	Ongoing
13	Water for Production Regional Centre- Karamoja	MoWE	92.0	2023/24	2027/28	Ongoing
14	Water for Production Regional Centre- Central	MoWE	94.8	2023/24	2027/28	Ongoing
15	NAGRC Strategic Intervention for Animal Genetics Improvement Project	NAGRC	118.0	2015/16	2026/27	Ongoing
16	Support to external market for Flowers, Fruits and Vegetables	MAAIF	0.00	2021/22	2025/26	Ongoing
17	Local Economic Growth (LEGS) Support Project	MoLG	188.0	2017/18	2025/26	Ongoing
18	Developing a Market oriented & Environmentally Friendly Beef Meat Industry	MAAIF	170.4	2017/18	2023/24	Ongoing
19	Support to Enhancing Agriculture Value Chain Development	MAAIF	102.1	2023/24	2027/28	Ongoing
21	Climate Smart Agriculture Transformation Project	MAAIF	1122.7	2023/24	2027/28	Ongoing
22	Enhancing Agricultural Production, Quality and Standards for Market Access Project	MAAIF	673.5	2023/24	2027/28	Ongoing
23	Solar powered irrigation systems	MoWE	490.2	2024/25	2028/29	Ongoing
24	Resilient Livestock Value Chain Project	MAAIF	475.7	2024/25	2030/31	Ongoing
	Pipeline					
25	Northern Uganda Farmers' Livelihood Improvement Project: Phase II	MAAIF	4.0	2023/24	2027/28	Profile
26	Lopei multi-purpose dam and Irrigation Development Project	MWE	414.75	2023/24	2027/28	Profile
27	East and Central Africa Agricultural Transformation	MAAIF	390.0	2019/20	2024/25	Profile
28	Support for External Markets for Flowers, Fruits and Vegetables	MAAIF	475.0	2017/18	2024/25	Proposal
29	Water for Smallholder Agricultural Production Project (WASAP)	MAAIF	275.52	2021/22	2025/26	Profile
30	Eastern Uganda Dairy Value Chain Development Project	DDA	48.5	2021/22	2025/26	Pre-Feasibility
31	Restoration and Preservation of the Critically Endangered Fish Species	MAAIF	18.3	2022/23	2026/27	Pre-Feasibility
32	Enhancing Agricultural Production, Quality and Standards for Market Access Project	MAAIF	673.5	2022/23	2026/27	Feasibility
33	Development of injectable Anti-Tick Vaccines (Not anywhere)	NARO	TBD	TBD	TBD	Feasibility
34	Dairy Market Access and Value Addition	DDA	53.6	2021/22	2026/27	Feasibility
	SUSTAINABLE EXTRACTIVES INDUSTRY DEVELOPMENT					

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
	Ongoing					
1	Midstream Petroleum Infrastructure Development Project Phase II	MEMD	160.4	2023/24	2027/28	Ongoing
2	National Oil Spill response and monitoring Infrastructure Project	PAU	59.9	2023/24	2027/28	Ongoing
3	Hoima Oil Refinery	MEMD	4,000.0	2024/25	2029/30	Ongoing
4	Oil Pipeline (Not anywhere)	MEMD	TBD	TBD	TBD	Ongoing
5	Mineral Regulation Infrastructure Project	MEMD	87.6	2022/23	2026/27	Ongoing
6	Support Uganda Mineral-based Industrialisation Project (SUMIP)	MEMD	359.0	2024/25	2028/29	Ongoing
	Pipeline					
7	Support to Midstream Petroleum Infrastructure Development Project Phase II	MEMD	240.4	2021/22	2025/26	Project Proposal
8	East Africa Crude Oil Pipeline (EACOP)	MEMD	TBD	TBD	TBD	Feasibility
9	Iron and Steel	MEMD	TBD	TBD	TBD	Concept
10	Petrochemical industries	MEMD	TBD	TBD	TBD	TBD
	Project Idea					
11	Moroto Nadunget Limestone (Cement and Clinker) Plant					
12	Support to Local Content Development for Oil and Gas Industry Project	MEMD	47.2	2025/26	2027/28	Project idea
	TOURISM DEVELOPMENT					
	Ongoing					
1	Development of Museums and Heritage Sites for Cultural Tourism (Phase II)	MTWA	44.3	20121/22	2015/26	Ongoing
2	Mt. Rwenzori Tourism Infrastructure Development Project (Phase II)	MTWA	70.6	2021/22	2025/26	Ongoing
3	Development of Source of the Nile (Phase II)	MTWA	90.6	2021/22	2025/26	Ongoing
4	Mitigating Human Wildlife Conflict Project (MHWCP)	MTWA	26.8	2023/24	2027/28	Ongoing
	Pipeline					
5	Development of Museums and Heritage Sites for Cultural Tourism Phase Two	MoTWA	40.1	2021/22	2025/26	Project Proposal
6	Development of Source of the Nile Project (Phase II)	MoTWA	90.6	2021/22	2025/26	Project Proposal
7	UWRTI Infrastructure development Project	MoTWA	55.6	2023/24	2025/26	Project Proposal
8	Development Of Water Based Eco Adventure Parks (Geothermal Spas and Resorts)	MoTWA	29.0	2023/24	2027/28	Feasibility
9	Mt. Rwenzori Cable Car Project	MoTWA	TBD	TBD	TBD	Pre-Feasibility
10	Development of Equator Points	MoTWA	TBD	2024/25	2028/29	Concept
	PRIVATE SECTOR DEVELOPMENT					
	Ongoing					
1	Investment for Industrial Transformaion anf Employment Project (INVITE)	MoFPED	1,665.0	2021/22	2025/26	Ongoing
2	Capitalisation of UDB and Postbank	MoFPED	TBD	2025/26	2029/30	Ongoing
	Pipeline					
3	Construction of food safety and Engineering Testing Laboratories	UNBS	97.0	2020/21	2024/25	Project Proposal
4	Accrual Accounting and Asset Management Project	MoFPED	-	2023/24	2027/28	Profile
5	Development of Industrial Parks - Phase (2)	UIA	972.3	2023/24	2027/28	Pre-Feasibility
	NATURAL RESOURCES, ENVIRONMENT, CLIMATE CHANGE, LAND AND WATER					
	Ongoing					
1	Land Valuation Infrastructure Project	MoLHUD	40.8	2021/22	2025/26	Ongoing
2	Farm Income Enhancement and Forestry Conservation Programme Phase II	MWE	885.4	2016/17	2026/27	Ongoing

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
3	Strengthening Drought Resilience for Smaller household farmers and the Pastoralists in the IGAD region	MWE	15.6	2021/22	2024/25	Ongoing
4	Feacal Sludge Management Enhancement Project (FSMEP)	MWE	130.5	2023/24	2027/28	Ongoing
5	Enhancing Resilience of Communities and Fragile Ecosystems to Climate Change Risk in Katonga and Mpologoma Catchments	MWE	59.4	2023/24	2026/27	Ongoing
6	Water for Production Regional Centre - Karamoja	MWE	92.0	2023/24	2027/28	Ongoing
7	Water for Production Regional Centre - Central	MWE	94.8	2023/24	2027/28	Ongoing
8	Integrated Water Resources Management and Development Project (IWMDP)	MWE	918.0	2019/20	2025/26	Ongoing
9	Investing in Forests and Protected Areas for Climate-Smart Development	MWE	659.3	2020/21	2025/26	Ongoing
10	Potable Water Project	MWE	78.7	2021/22	2025/26	Ongoing
11	Multinational Lakes Edward and Albert Integrated Water Resources Management Project (LEAF III)	MWE	293.1	2024/25	2028/29	Ongoing
12	Kalangala and Itanda Falls Conservation and Protection Project (KIFP)	MWE	185.1	2024/25	2028/29	Ongoing
13	Multipurpose bulk water supply in Isingiro (Not anywhere)	MWE	TBD	TBD	TBD	Ongoing
14	Irrigation for Climate Resilience Project	MWE	425.5	2020/21	2025/26	Ongoing
15	Promotion of Drought resilience and food security in Karamoja	MWE	TBD	2019/20	2024/25	Ongoing
18	Strengthening Adaptive Capacity and Resilience of communities in Uganda's Watershed-AWOJA (not anywhere)		TBD			Ongoing
19	Strategic Water Supply and Sanitation Infrastructure Project (Alebtong,Bugadde,Idudi)	MWE	TBD	2019/20	2024/25	Ongoing
	Pipeline					
20	Water and Sanitation Development Facility – Karamoja (WSDF-K)	MWE	152.6	2021/22	2025/26	Project Proposal
21	Portable Water Project	MWE	78.7	2021/22	2025/26	Project Proposal
22	Strengthening Forest Protection and Landscape Resilience project (SFLP)	MWE	786.5	2020/21	2025/26	Project Proposal
23	Land Economic Competitiveness Project	MoLHUD	95.7	2024/25	2028/29	Feasibility
24	Wakiso West Water and Sanitation Project	MWE	635.8	2023/24	2025/26	Feasibility
25	National Environment Management Authority Infrastructure Development Project [NEMA-IDP]	NEMA	253.7	2024/25	2028/29	Pre-feasibility
26	Strengthening Meteorological Services for Increased Climate Resilience	UNMA	29.2	2023/24	2027/28	Pre-feasibility
27	Water Resources Institute Infrastructure Development Project	MWE	74.5	2024/25	2028/29	Profile
28	Enhancing resilience of communities to climate change – phase 2	MWE	40.0	2024/25	2028/29	Profile
29	Strengthening Disaster Preparedness and Response Project	OPM	303.1	2023/24	2027/28	Profile
	Project Idea					
30	Inner Murchison Bay Clean Up Project (MB CUP), Phase II	MWE	136.2	2025/26	2029/30	Project idea
	INTEGRATED TRANSPORT INFRASTRUCTURE AND SERVICES					
	Ongoing					
1	Capitalization of Uganda Airlines	MoWT	5,188.8	2025/26	2029/30	Ongoing
2	Rehabilitation of District Roads Project	MoWT	911.4	2021/22	2025/26	Ongoing
3	Rehabilitation and Upgrading of Urban Roads Project	MoWT	251.8	2021/22	2025/26	Ongoing
4	Streamlining Management of Motor Vehicle Registration	MoWT	153.9	2022/23	2026/27	Ongoing
5	Musita-Lumino-Busia/Majanji Road	MoWT	136.9	2014/15	2023/24	Ongoing
6	Seeta-Kyaliwajjala-Matugga-Wakiso-Buloba-Nsangi	MoWT	212.0	2014/15	2023/24	Ongoing
7	Najjanankumbi-Busabala Road and Namboole-Namilyango Seeta	MoWT	267.6	2014/15	2023/24	Ongoing
8	North Eastern Road-Corridor Asset Management Project	MoWT	659.8	2014/15	2023/24	Ongoing

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
9	Construction of 66 Selected Bridges	MoWT	770.5	2015/16	2022/23	Ongoing
10	Upgrading of Muyembe-Nakapiripirit (92 km)	MoWT	412.8	2015/16	2023/24	Ongoing
11	Kibuye -Busega- Mpigi	MoWT	563.0	2014/15	2022/23	Ongoing
12	Luwero - Butalangu Road	MoWT	54.8	2017/18	2025/26	Ongoing
13	Upgrading of Kitgum-Kidepo Road (115 Km)	MoWT	386.5	2022/23	207/28	Ongoing
14	Land Acquisition Project II	MoWT	1,837.9	2022/23	2026/27	Ongoing
15	Upgrading of Namagumba-Budadiri-Nalugugu Road	MoWT	143.0	2023/24	2027/28	Ongoing
16	Upgrading of Kyenjojo (Kihura)-Bwizi-Rwamwanja-Kahunge 68km/Mpara-Bwizi (37km)	MoWT	425.0	2023/24	2027/28	Ongoing
17	Construction of Masindi Port Bridge	MoWT	425.0	2023/24	2027/28	Ongoing
18	Proposed Upgrading of Katine Ochero (72.9km)	MoWT	86.1	2023/24	2027/28	Ongoing
19	Tirinyi-Pallisa-Kumi/Kamonkoli Road	MoWT	479.6	2013/14	2022/23	Ongoing
20	Kampala City Roads & Bridges Upgrading Project	KCCA	953.3	2024/25	2027/28	Ongoing
21	Upgrading Of Iganga-Bulopa-Kamuli	MoWT	227.6	2024/25	2027/28	Ongoing
22	Upgrading of Mpigi-Kasanje-Buwaya, Nateete-Nakawuka-Kisubi and Connecting Roads (71.15Km)	MoWT	263.3	2024/25	2027/28	Ongoing
23	Reconstruction Of Masaka-Mutukula Road (89.5km)	MoWT	692.6	2024/25	2027/28	Ongoing
24	Upgrading Of Jinja-Mbulamuti-Kamuli-Bukungu Road (127km) From Gravel To Paved Standard and Jinja city roads (10km)	MoWT	649.6	2024/25	2028/29	Ongoing
25	Upgrading of Kumi-Ngora-Brooks Corner-Serere-Kagwara Road	MoWT	351.5	2024/25	2028/29	Ongoing
26	Rehabilitation Of Mityana – Mubende Road (100km)	MoWT	395.3	2025/26	2029/30	Ongoing
27	Hoima-Wanseko Road	MoWT	3,000.0	3/10/2010	2025/26	Ongoing
28	Kampala Northern Bypass Phase 2	MoWT	545.0	2014/15	2025/26	Ongoing
29	Rehabilitation of Matugga-Kapeeka Road (42km)	MoWT	190.2	2024/25	2028/29	Ongoing
30	Rehabilitation of Busunju-Kiboga-Hoima Road (145km)	MoWT	308.0	2024/25	2028/29	Ongoing
31	Upgrading of Kayunga-Bbale-Galiraya Road (88.5km)	MoWT	327.5	2024/25	2028/29	Ongoing
32	Kisoro-Mgahinga National Park Headquarters Road	MoWT	108.0	2019/20	2026/27	Ongoing
33	Rehabilitation of Karuma – Pakwach Road (106Km)	MoWT	236.6	2025/26	2028/29	Ongoing
34	Emergency Reconstruction of Selected Sections along Kampala – Masaka Road	MoWT	202.5	2025/26	2028/29	Ongoing
35	Construction of New Ssezibwa Bridge	MoWT	54.1	2025/26	2027/28	Ongoing
36	Upgrading of Hamurwa – Kerere – Kanungu – Kanyantorogo – Butogota – Buhoma / Hamayanja – Ifasha – Ikumba Road (143km) from Gravel to Paved Standard	MoWT	529.1	2025/26	2029/30	Ongoing
37	Rural Bridge Infrastructure Development Project	MoWT	300.0	2025/26	2029/30	Ongoing
38	Atiak-Moyo-Afoji	MoWT	364.3			Ongoing
39	Improvement of ferry services	MoWT	159.0	2023/24	2025/26	Ongoing
40	Rwenkunye-Apac-Lira-Acholibur Road	MoWT	753.9	2016/17	2026/27	Ongoing
41	Soroti-Katakwi-Moroto-Lokitonyala Road	MoWT	900.0	2017/18	2025/26	Ongoing
42	Rehabilitation of Tororo - Pakwach Railway line, Phase I (375km)	MoWT	47.6	2025/26	2028/29	Ongoing
43	Multinational Lake Victoria Maritime Communication and Transport Project - Uganda Component	MoWT	50.0	2025/26	2028/29	Ongoing
44	Capacity Building of Uganda Railways Corporation	MoWT	1300	2025/26	2029/30	Ongoing
45	Community Roads Improvement Project	MoWT	391.6	2025/26	2029/30	Ongoing
46	Upgrading of Koboko – Yumbe - Moyo Road 105km to bituminous standard	MoWT	519.9	2024/25	2028/29	Ongoing
47	Kampala City Roads Rehabilitation Project	KCCA	1,070	2020/21	2027/28	Ongoing

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
48	Rehabilitation Of Pakwach – Nebbi Section 2 Road (33km)	MoWT	51.8	2025/26	2028/29	Ongoing
49	Kampala- Jinja Expressway	MoWT	2,300.0	2014/15	2024/25	Ongoing
50	Kampala Flyover Construction and Road Upgrading Project	MoWT	957.6	2026/27	2030/31	Ongoing
51	Busega-Mpigi Expressway	MoWT	TBD	TBD	TBD	Ongoing
52	Road Infrastructure of First Oil lot 4 (Lusalira-Nkonge-Lumegere-Ssembabule roads	MoWT	TBD	TBD	TBD	Ongoing
53	Road Infrastructure of First Oil lot 6 (Kabwoya-Buhuka and Ntoroko-Karugutu roads 98km) (Not anywhere)	MoWT	TBD	TBD	TBD	Ongoing
54	Atiak-Laropi	MoWT	TBD	TBD	TBD	Ongoing
55	Laropi-Moyo-Afoji/Katuna-Muko-Kamuganguzi Road Upgrading Project (Not anywhere)	MoWT	TBD	TBD	TBD	Ongoing
56	Rehabilitation and Upgrade of Urban Roads and Construction of Flyovers and Pedestrian Bridges in Kampala	MoWT	253.9	2022/23	2026/27	Ongoing
57	Standard-Gauge Railway	URC	TBD	2013/14	2024/25	Ongoing
58	Upgrading Yumbe-Yeru Road Project	MoWT	TBD	TBD	TBD	Ongoing
59	Refurishment of the Metre Gauge Railway line Kampala -Malaba (URC Capacity Building)	URC	1452	2020/21	2024/25	Ongoing
61	Kebisoni - Kisizi - Muhanga/ Kambuga Road (117km)	MoWT	300.0	2024/25	2028/29	Ongoing
	Pipeline					
60	Land Acquisition	MoWT	1840	2025/26	2029/30	Proposal
61	Upgrading of Karenga-Kapedo-Kaabong Road (68km) from Gravel to Paved Standard	MoWT	TBD	2024/25	2027/28	Proposal
62	Upgrading of Katunguru-Ishasha Road (88km) from Gravel to Paved Standard	MoWT	442.7	2025/26	2029/30	Proposal
63	Jinja-Malaba/Busia Expressway	MoWT	TBD	TBD	TBD	TBD
64	Development of Bukasa Port	MoWT	1,390.0	2025/26	2029/30	Feasibility
65	Hamurwa - Kerere - Kanungu/Buleme - Buhoma - Butogota - Hamayanja - Ifasha - Ikumba 149.0km	MoWT	529.1	2024/25	2027/28	Feasibility
66	Ishasha - Katunguru (88.0km)	MoWT	442.7	2025/26	2029/30	Proposal
67	Kitgum - Olumu - Kalenga - Kapedo - Kaabong (184km)	MoWT	TBD	2026/27	2029/30	Feasibility
68	Reconstruction of Masaka – Mutukula Road (89.5km)	MoWT	692.6	2025/26	2028/29	Feasibility
69	Rehabilitation of Kikorongo – Bwera – Mpondwe Road (38.2Km)	MoWT	117.8	2025/26	2027/28	Feasibility
70	Upgrading of Kotido - Kaabong (68.2km) from gravel to paved standard	MoWT	242.3	2025/26	2028/29	Feasibility
71	Upgrading of Luku – Kalangala – Mulabana / Lutoboka (69.1Km) from gravel to paved standard	MoWT	348.1	2025/26	2028/29	Feasibility
72	Upgrading of Rwimi – Dura - Kamwenge - Kyenjojo Road (123km) from Gravel to Paved Standard	MoWT	400.0	2025/26	2029/30	Feasibility
73	Upgrading of Nabumali – Butaleja - Namutumba Road (72km) from Gravel to Paved Standard	MoWT	316.4	2025/26	2028/29	Feasibility
74	East African Civil Aviation Academy (Eacaa) Infrastructure Development Project	MoWT	324.6	2025/26	2029/30	Feasibility
75	Upgrading of Bubulo - Bududa Circular Road (28km) from Gravel to Paved Standard	MoWT	161.2	2025/26	2028/29	Feasibility
76	Upgrade of Pakuba, Kidepo and Kisoro Tourism Airports	MoWT	TBD	2025/26	2029/30	Feasibility
77	Upgrading of Kabwohe - Nyakambu - Bwizibwera / Nyakambu – Nsiika – Nyakabirizi Road (92.2km) from gravel to paved standard	MoWT	TBD	2025/26	2027/28	Feasibility
78	Upgrading of Nsika–Ibanda –Kabujogera-Mashoro–Rwenjaza/Kyambura	MoWT	TBD	TBD	TBD	TBD
79	Upgrade of Arua, Gulu and Kasese Airports.	MoWT	TBD	2025/26	2029/30	Feasibility
80	Rehabilitation and Upgrading of Urban Roads Project.	MoWT	253.9	2025/26	2029/30	Feasibility
81	Upgrading of Nebbi - Goli-Paidha-Vurra Road (16km) from Gravel to Paved Standard	MoWT	TBD	2025/26	2026/27	Feasibility
82	Kitwe-Rwoho-Nyakiraguju road	MoWT	TBD	TBD	TBD	Design stage
83	Upgrading of Kazo – Buremba – Kabagole – Kyegegwa Road (82Km) from Gravel to Paved Standard	MoWT	TBD	2025/26	2029/30	Pre- Feasibility

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
84	Rehabilitation of Kampala – Jinja Highway	MoWT	TBD	2025/26	2029/30	Pre-Feasibility
85	Jinja – Iganga – Malaba - Busia Expressway	MoWT	TBD	2025/26	2029/30	Pre-Feasibility
86	Upgrading of Rukungiri – Kashenshero – Mitooma Road (32km) from Gravel to Paved Standard	MoWT	TBD	2025/26	2027/28	Pre- Feasibility
87	Upgrading of Goli – Paidha – Zombo – Warr - Vurra Road and Arua – Lia Road (119km) from Gravel to Paved Standard	MoWT	440.3	2025/26	2029/30	Pre- Feasibility
88	Upgrading of Corner Ayer - Corner Aboke - Bobi Road (55km) from Gravel to Paved Standard	MoWT	203.5	2025/26	2028/29	Pre- Feasibility
89	Upgrading of Karenga-Bira Road (42km) from Gravel to Paved Standard	MoWT	TBD	2025/26	2027/28	Pre- Feasibility
90	Upgrading of Nkenda – Bugoye - Nyakalengijo / Mubuku – Maliba – Nyakalengijo roads (31.5Km) from Gravel to Paved Standard	MoWT	TBD	2025/26	2027/28	Pre- Feasibility
91	Upgrading of Soroti – Serere – Pingire - Mugarama Road (64km) from Gravel to Paved Standard	MoWT	TBD	2025/26	2028/29	Pre- Feasibility
92	Construction of selected small bridges along the unpaved national road network	MoWT	TBD	2025/26	2029/30	Pre- Feasibility
93	Upgrading of Rakai – Isingiro/Kikagati - Kafunzo Road (135km) from Gravel to Paved Standard	MoWT	499.5	2025/26	2029/30	Pre- Feasibility
94	Upgrading of Tororo – Nagongera - Busolwe Road (44km) from Gravel to Paved Standard	MoWT	162.8	2025/26	2028/29	Pre- Feasibility
95	Upgrading of Dokolo – Ochero – Namasale Road (88km) from Gravel to Paved Standard	MoWT	325.6	2025/26	2029/30	Pre- Feasibility
96	Construction of New Karuma Bridge and access roads	MoWT	210.6	2025/26	2028/29	Pre- Feasibility
97	Construction of Masindi Port Bridge and Access Roads	MoWT	336.0	2025/26	2028/29	Pre- Feasibility
98	Acquisition of Road Maintenance Equipment	MoWT	143.4	2025/26	2028/29	Pre- Feasibility
99	Rehabilitation of Kampala – Gayaza – Kalagi Road (33.5Km)	MoWT	49.6	2025/26	2027/28	Pre- Feasibility
100	Upgrading of Ntusi – Lyantonde - Rakai Road (101km) from Gravel to Paved Standard	MoWT	373.7	2025/26	2029/30	Pre- Feasibility
101	Upgrading of Myanzi – Bukuya - Kiboga road (61km) from Gravel to Paved Standard	MoWT	225.7	2025/26	2028/29	Pre- Feasibility
102	Upgrading of Kotido – Abim – Aloi – Lira Road (187km) from Gravel to Paved Standard	MoWT	691.9	2025/26	2029/30	Pre- Feasibility
103	Upgrading of Kanoni – Misingi - Mityana Road (39km) from Gravel to Paved Standard	MoWT	144.3	2025/26	2027/28	Pre- Feasibility
104	Rehabilitation of Mbarara - Ishaka Road (59.2Km)	MoWT	262.2	2025/26	2028/29	Pre- Feasibility
105	Upgrading of Kashwa – Kashongi – Ruhumba Road (31km) from gravel to paved standard	MoWT	114.7	2025/26	2027/28	Pre- Feasibility
106	Construction of New Katunguru Bridge	MoWT	78.0	2025/26	2028/29	Pre- Feasibility
107	Upgrading of Mbale - Nkokonjeru Road (21km) from gravel to paved standard	MoWT	TBD	2025/26	2028/29	Pre- Feasibility
108	Rehabilitation of Mbarara – Bwizibwera -Ibanda Road (65Km)	MoWT	96.2	2025/26	2027/28	Pre- Feasibility
109	Rehabilitation of Nebbi - Arua Road (80Km)	MoWT	118.4	2025/26	2027/28	Pre- Feasibility
112	Upgrading of Kiyindi - Najja – Buikwe - Lugazi Road (27.7km) from Gravel to Paved Standard	MoWT	103.9	2025/26	2028/29	Pre- Feasibility
113	Upgrading of Misindye – Kabimbiri – Zirobwe – Wobulenzi Road (84.7km) from Gravel to Paved Standard	MoWT	317.6	2025/26	2029/30	Pre- Feasibility
114	Kampala - Malaba Standard Gauge Railway Project (Eastern Route)	MoWT	9170	2025/26	2029/30	Pre- Feasibility
115	Upgrading of Kabwohe - Kitagata - Rukungiri Road (65.7km) from gravel to paved standard	MoWT	243.1	2025/26	2028/29	Pre- Feasibility
116	Proposed Construction of Road Authority Offices	MoWT	53.6	2025/26	2028/29	Pre- Feasibility
117	Construction of Nakiwogo Bridge across Lake Victoria	MoWT	260.0	2026/27	2029/30	Pre- Feasibility
118	Proposed Upgrading of Moroto - Kotido Road (100km) from Gravel to Paved Standard	MoWT	349.8	2025/26	2028/29	Pre- Feasibility
119	Rehabilitation Of Nansana – Busunju Road (48.1km)	MoWT	65.4	2025/26	2029/30	Pre- Feasibility
120	Rehabilitation Of Namunsi – Sironko – Muyembe/ Kapchorwa Road (65 Km)	MoWT	104.9	2025/26	2029/30	Pre- Feasibility
121	Rehabilitation Of Ishaka – Rugazi - Katunguru Road (58 Km)	MoWT	105.0	2025/26	2029/30	Pre- Feasibility
122	Rehabilitation of Hima - Katunguru Road (58 km)	MoWT	192.3	2025/26	2029/30	Pre- Feasibility
123	Rehabilitation of Fort portal - Hima road (55 km)	MoWT	98.8	2025/26	2028/29	Pre- Feasibility
124	Upgrading of Nakaseke - Singo - Kituuma Road (71Km) from gravel to paved standard	MoWT	278.3	2025/26	2029/30	Pre- Feasibility

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
125	Kisoro-Nkuringo-Rubuguri-Muko (54.0km)	MoWT	250.0	2019/20	2022/23	Procurement Stage
126	Rubuguri-Nteko Road (54.0km)	MoWT	TBD	2023/24	2026/27	Procurement Stage
127	Upgrading of Fort Portal- Kijura-Kyarusozi-Katooke Road (83.8km) from Gravel to Paved Standard	MoWT	TBD	2025/26	2028/29	Profile
128	Establishment of Construction Materials and Quality Standards Infrastructure	MoWT	425.6	2025/26	2029/30	Profile
129	Construction of the Ministry of Works and Transport Headquarters Building at Plot 4-6 Airport Road in Entebbe	MoWT	153.3	2025/26	2028/29	Profile
130	Upgrading of Atiak- Kitgum Road 108km to bituminous	MoWT	412.8	2025/26	2028/29	Profile
131	Regional Connectivity Roads Improvement Project	MoWT	248.0	2025/26	2029/30	Profile
132	Construction of One Stop Border Posts (OSBPS)	MoWT	57.5	2025/26	2029/30	Profile
133	Proposed Upgrading of Muko - Katuna/ Muko - Kachwenkano road (105 km)	MoWT	395.3	2025/26	2029/30	Profile
134	Strengthening the Institutional Capacity of the Ministry of Works and Transport	MoWT	105.0	2025/26	2029/30	Profile
135	Construction Equipment Project	MoWT	68.0	2025/26	2027/28	Profile
136	Road Authority Offices	MoWT	47.0	2025/26	2028/29	Profile
137	Integrated Corridor Development Initiative - Lake Victoria Transport Programme - SOP 1 & 2	MoWT	490.0	2025/26	2029/30	Profile
138	Rehabilitation of District Roads by Force on Account	MoWT	80.0	2025/26	2029/30	Profile
139	Kampala – Kasese MGR	MoWT	1,800.0	TBD	TBD	Concept
140	Supply of Electricity to Standard Gauge Railway (SGR) Project	MoWT	0.2	TBD	TBD	Concept
141	Kampala - Southern Bypass	MoWT	TBD	TBD	TBD	Concept
142	Kampala – Bombo Expessway	MoWT	TBD	TBD	TBD	Concept
143	Kampala - Outer Belt Way	MoWT	TBD	TBD	TBD	Concept
144	Improvement of Traffic Control in Kampala City Project	MoWT	95.0	TBD	TBD	Concept
145	Kidepo International Airport and related infrastructure (5- Star hotels)	MoWT	370.0	TBD	TBD	Concept
146	Kabale-Lake Bunyoni (8.0km)	MoWT	34.0	2020/21	2023/24	Procurement Stage
	Project Idea					
147	Upgrade and Expansion of Entebbe International Airport, Phase II	MoWT	TBD	2025/26	2029/30	Project idea
148	Construction of New Pakwach Bridge	MoWT	TBD	2026/27	2028/29	Project idea
149	Upgrading of Ngoma-Masindi Road (70km) from Gravel to Paved Standard	MoWT	TBD	2026/27	2028/29	Project idea
150	Upgrading of Nakasongola-Zengebe Road (32km) from Gravel to Paved Standard	MoWT	TBD	2026/27	2028/29	Project idea
151	Upgrading of Kyapa-Kasensero Road (42km) from Gravel to Paved Standard	MoWT	TBD	2026/27	2028/29	Project idea
152	Upgrading of Katuugo-Kinyogoga-Kaweweta Road (41km) from Gravel to Paved Standard	MoWT	TBD	2026/27	2028/29	Project idea
153	Rehabilitation of Mubende –Kyenjojo Road (89.30Km)	MoWT	TBD	2025/26	2027/28	Project idea
154	Construction of Nakasero-Northern Bypass Express Route (4.10km)	MoWT	TBD	2025/26	2028/29	Project idea
155	Construction of Kibuye – Busega Expressway	MoWT	TBD	2025/26	2029/30	Project idea
156	Rehabilitation Of Gulu – Pakwach Railway Line (125km)	MoWT	87.5	2025/26	2026/27	Project idea
157	Sealing of Low and Medium Volume Roads	MoWT	553.2	2025/26	2029/30	Project idea
158	Simu-Kamu-Upper Bulambuli Road	MoWT	TBD	2025/26	2029/30	Project idea
159	Keri-Ayipe-Kagoropa-Busia	MoWT	TBD	2025/26	2029/30	Project idea
160	Mpigi-Masaka Expressway	MoWT	TBD	2025/26	2029/30	Project idea

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
161	Kampala-Hoima Expressway	MoWT	TBD	2025/26	2029/30	Project idea
162	Upgrade of Kyampisi - Namataba Road	MoWT	TBD	2025/26	2029/30	Project idea
163	Kabundaire- Muhoti-Saaka-Kyabanyaga 12km Road	MoWT	TBD	2025/26	2029/30	Project idea
	SUSTAINABLE ENERGY DEVELOPMENT					
	Ongoing					
1	Electricity Access Scale Up Project	MEMD	1,429.3	2022/23	2026/27	Ongoing
2	Clean Energy Access Project	MEMD	74.5	2023/24	2027/28	Ongoing
3	Energy and Minerals land Acquisition and Infrastructure Studies Project	MEMD	881.1	2023/24	2027/28	Ongoing
4	Karuma Hydroelectricity Power Project	MEMD	5,400	2011/12	2025/26	Ongoing
5	Strengthening the National Regulatory Infrastructure for Radiation Safety and Nuclear Security	MEMD	359.0	2024/25	2028/29	Ongoing
6	Construction of 400kv Karuma-Tororo Transmission Line and 132kv Ntinda Substation	MEMD	1,130	2024/25	2028/29	Ongoing
7	Rural Electrification and Connectivity Project	MEMD	2,232	2024/25	2028/29	Ongoing
8	Kampala Metropolitan Transmission System Improvement Project	MEMD	450.0	2017/18	2027/28	Ongoing
9	Masaka-Mbarara Grid Expansion Line	MEMD	475.0	2017/18	2024/25	Ongoing
10	Airbone Geophysical Surveys and Geological Mapping of Karamoja Region	MEMD	92	2029/20	2024/25	Ongoing
11	Bridging the Demand Supply Gap through the Accelerated Rural Electrification Programme	MEMD	837	2018/19	2024/25	Ongoing
	Pipeline					
14	Electricity Access Scale-up Project	MEMD	1,487.0	2022/23	2026/27	Project Proposal
15	Hoima - Kinyara – Kafu 220kv Transmission Line and Associated Substations Project	MEMD	406.1	TBD	TBD	Feasibility
16	GET Access Uganda Mini-Grid Systems Project	MEMD	142.5	2024/25	2028/29	Feasibility
17	Mirama- Kikagati- Nsongezi 132kv Transmission Line and Associated Substations	MEMD	162.2	TBD	TBD	Pre-Feasibility
18	132kv Mbale – Bulambuli – Kween Transmission Line and Associated Substations Construction Project	MEMD	309.6	TBD	2026/27	Pre-Feasibility
19	Centre for Nuclear Science and Technology Project	MEMD	812.8	2023/24	2027/28	Pre-feasibility
20	Electrification of Industrial Parks and Free Trade Zones (Power supply to industrial parks and power transmission line extension projects to Kapeeka, Mbale, Sukulu, Wobulenzi, Kaweeweta, and Nakasongola)	MEMD	818.9	2022/23	2025/26	Pre-feasibility
21	Masaka-Mwanza 400kv Transmission Line Project and Associated Substations (Uganda Part)		168.5	2021/22	2024/25	Profile
22	Olwiyo – Nimule (Uganda) –Juba (Sudan) 400kv Transmission Line Project	MEMD	541.8	TBD	TBD	Profile
23	Rehabilitation And Optimisation of Nalubaale and Kiira (380 Mw) Hydro Power Plants	MEMD	TBD	2025/26	2029/30	Pre-Feasibility
24	Promotion of Wind Energy Resources in Uganda	MEMD	1.2	2023/24	2027/28	Profile
25	Uganda Geothermal Energy Resources Development Project -Phase II	MEMD	183.0	2024/25	2028/29	Profile
26	Nkenda (Uganda) – Beni – Bunia (D.R. Congo) 220kv Transmission Line Project and Associated Substations	MEMD	106.4	TBD	TBD	Concept
27	Upgrade of Mutundwe – Buloba – Kabulasoke – Masaka and Kabulasoke – Nkonge – Rugonjo – Nkenda 132kv Transmission Line and Associated Substation Works	MEMD	793.8	TBD	TBD	Concept
28	Power Supply to industrial parks and Power Transmission Line Extension	MEMD	911.0	2020/21	2024/25	Concept
29	Kikagati Nsongezi Transmission Line	MEMD	131.0	2020/21	2024/25	Concept
	Project Idea					
30	Kiba HPP	MEMD	TBD	TBD	TBD	Concept

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
31	Oriang HPP	MEMD	TBD	TBD	TBD	Concept
32	Nuclear Energy Plan	MEMD	TBD	TBD	TBD	Concept
	DIGITAL TRANSFORMATION					
	Ongoing					
1	Government Network (GOVNET) Project	NITA	887.2	2025/26	2029/30	Ongoing
	Pipeline					
2	Broadband Over Powerline for last mile Internet connectivity	MoICT&NG	186.2	2025/26	2029/30	Concept
3	National Postcode and Addressing Geographic Information System (GIS)	MoICT&NG	47.6	2025/26	2029/30	Concept
4	Interconnection And Digitization Programme For Pwd (IDPP)	MoICT&NG	23.8	2025/26	2029/30	Concept
	SUSTAINABLE URBANIZATION AND HOUSING					
	Ongoing					
1	GKMA Urban Development Project	MoKCCA &MA	591.4	2023/24	2027/28	Ongoing
2	Greater Kampala Metropolitan Area Project	MoKCC & MA	2,134.9	2023/24	2027/28	Ongoing
	Pipeline					
3	Uganda Cities and Municipalities Infrastructure Development Project (UCMID)	MoLHUD	2,797.0	2023/24	2027/28	Project Proposal
4	Infrastructure Corridor Development Project	MoLHUD	184.3	2024/25	2028/29	Profile
5	Enhancing Access to Decent Affordable Housing Project	MoLHUD	854.2	2023/23	2027/28	Profile
6	Secondary Cities Infrastructure Development Project	MoLHUD	212.9	2023/24	2027/28	Profile
7	Greater Kampala Metropolitan Area Urban Development Program (GKMA-UDP)	MoKCCA	2,134.9	2023/24	2027/28	Pre-Feasibility
8	Land Valuation Infrastructure Development Project	MoLHUD	40.7	2021/22	2025/24	Pre-Feasibility
9	Waste Management for GKMA	MoLHUD	TBD	TBD	TBD	TBD
	HUMAN CAPITAL DEVELOPMENT					
	Ongoing					
1	Development and Expansion of Health Training Institutions	MoES	187.4	2023/24	2027/28	Ongoing
2	GAVI Vaccines and Health Sector Development Plan Support	MoH	152.0	2017/18	2023/24	Ongoing
3	Global Fund for AIDS, TB and Malaria	MoH	208.0	2010/11	2024/25	Ongoing
4	ADB Support to UCI	UCI	118.0	2015/16	2022/23	Ongoing
5	Uganda Business and Technical Examinations Board Infrastructure Development Project	UBTEB	56.2	2023/24	2025/26	Ongoing
6	Gulu University Infrastructure Development Project Phase II	Gulu University	118.5	2023/24	2027/28	Ongoing
7	Kampala Water- Lake Victoria Water & Sanitation project	MWE	12.2	2011/12	2023/24	Ongoing
8	Establishment of Regional Oncology and Diagonistic Centers in Arua, Mbale and Mbarara	UCI	245.5	2024/25	2028/29	Ongoing
9	Kyambogo University Infrastructure Project II	Kyambogo University	271.1	2024/25	2028/29	Ongoing
10	Makerere University Business School Infrastructure Development Project	MUBS	77.6	2024/25	2028/29	Ongoing
11	Water and Sanitation Development Facility-South West-Phase II	MWE	242.7	2019/20	2025/26	Ongoing
12	Strengthening Water Utilities Regulation Project	MWE	791.0	2020/21	2025/26	Ongoing
13	Water and Sanitation Development Facility Karamoja	MWE	25.4	2022/23	2026/27	Ongoing
14	Uganda Heart Institute Infrastructure Development Project	MWE	266.0	2019/20	2026/27	Ongoing
15	Uganda Covid-19 Response and Emergency Preparedness Project (UCREPP)	MoH	180.2	2022/23	2026/27	Ongoing
16	Enhancing Growth and Productivity Opportunities for Women Enterprises	MoGLSD	770.4	2022/23	2026/27	Ongoing
17	Uganda Secondary Education Expansion Project	MoES	599.2	2020/21	2025/26	Ongoing
18	Rehabilitation and Construction of General Hospitals	MoH	20.4	2012/13	2025/26	Ongoing

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
19	OFID-Vocational Education (VE) Project Phase II	MoES	18.7	2017/18	2024/25	Ongoing
20	Business, technical and Vocational Education & Training (BTVET) Support (Project Phase III)	MoES	56.2	2023/24	2027/28	Ongoing
21	Uganda Learning Acceleration Program (ULEARN)	MoES	1,478.0	2024/25	2028/29	Ongoing
22	Rehabilitation and construction of General of Hospitals	MoH	250	2012/13	2024/25	Ongoing
24	Skills Development for Higher Medical and Health Science Project	MoH	TBD	TBD	TBD	Ongoing
25	Improving the Healthcare Service delivery in Uganda through automation and capacity building	Mulago Hospital Complex	33.4	2023/24	2027/28	Ongoing
26	Enhancing Growth and Productivity Opportunities for Women Enterprises	MoLGSD	770.4	2021/22	2026/27	Ongoing
	Pipeline					
27	Infrastructure for Digitalizing Health Information in the Ugandan Health Sector	MoH	109.1	2022/23	2026/27	Proposal
28	Infrastructure Expansion at the Makerere University College of Business and Management Sciences	Makerere University	96.5	2023/24	2027/28	Project Proposal
29	Establishment of Regional Oncology and Diagnostic Centres in Arua, Mbale and Mbarara	UCI	245.5	2023/24	2026/27	Project Proposal
30	Strengthening Health Systems for Primary Health Care	MoH	740.0	TBD	TBD	Feasibility
31	Mountains of the Moon University (MMU) Infrastructure Development	Mountains of the Moon University	141.6	2023/24	2027/28	Feasibility
32	Soroti University Infrastructure Development Project II	Soroti University	168.8	2025/26	2029/30	Feasibility
33	Kabale University Infrastructure Development Project	Kabale University	78.8	2024/25	2028/29	Feasibility
34	MUBS Infrastructure Development	MUBS	77.6	2024/25	2028/29	Feasibility
35	Trans-Boundary Water Resource Management Programme	MWE	241.2	2022/23	2026/27	Feasibility
36	Mbarara University Infrastructure Development	Mbarara University	130.0	2023/24	2027/28	Feasibility
37	Uganda Cancer Institute Project II	UCI	66.5	2022/23	2026/27	Feasibility
38	Climate-smart Water and Sanitation Investment Project (CWIP)	MWE	818.2	2024/25	2028/29	Pre-feasibility
39	Development Of Primary Schools Project	MoES	258.2	2024/25	2028/29	Pre-feasibility
40	The Uganda Smart Education project	MoES	78.7	2024/25	2028/29	Pre-feasibility
41	Uganda Learning Acceleration Program	MoES	1,478.0	2024/25	2028/29	Pre-feasibility
42	Virtual Learn System for Primary and Secondary Schools in Uganda	National Curriculum Development Centre	171.8	2024/25	2028/29	Pre-feasibility
43	Water Supply And Sanitation For Institutions Project	MWE	766.5	2022/23	2026/27	Pre-feasibility
44	Construction and Equipping of Work Based Learning Centers for National Apprenticeships	MoGLSD	90.8	2021/22	2025/26	Pre-feasibility
45	Uganda National Examinations Board Infrastructure Development project II	UNEB	69.9	2024/25	2028/29	Pre-feasibility
46	Development and Improvement of Special Needs Education II	MoES	48.5	2024/25	2028/29	Pre-feasibility
47	Uganda Green Incubation Project - (UGIP)	MoGLSD	186.0	2022/23	2026/27	Pre-feasibility
48	Establishment of Primary Schools in 1818 Parishes	MoH	1473.2	TBD	TBD	Profile
49	Uganda Health Services Transformation Project (UHSTP)	MoH	1124.0	TBD	TBD	Profile
50	Water Supply and Sanitation Program Phase III	MWE	351.5	2024/25	2028/29	Profile
51	Re-Development of Lugogo Sports Complex	National Council of Sports	345.5	2024/25	2028/29	Profile
52	Water and Sanitation Infrastructure Resilience Project	MWE	304.2	2024/25	2028/29	Profile
53	National Council for Higher Education Infrastructural Development Project	NCHE	4.0	2022/23	2025/26	Profile
54	Support to Higher Education, Science and Technology (HEST II) Project	MoES	953.1	2021/22	2025/26	Profile
55	Makerere University Infrastructure Development Project	Makerere University	170.9	2023/24	2027/28	Profile
56	Makerere University Lung Institute Expansion Project (MEP)	Makerere University	44.3	2024/25	2029/30	Profile

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
57	Readiness Support to Social Development Institutions (RESUSODI)	MoGLSD	TBD	2024/25	2028/29	Profile
58	Rehabilitation of Regional Referral Hospitals	MoH	TBD	TBD	TBD	Concept
59	One-Stop Center State of the Art Production Facility (Culture and Creative Arts)	MoGLSD	TBD	TBD	TBD	Concept
60	Construction of New Health Units in 132 Sub-counties, Town Councils and Divisions	MoH	TBD	TBD	TBD	Concept
61	Secondary Schools Project for Sub-counties without	MoES	TBD	TBD	TBD	Concept
62	Mid-Western Urban Water and Sanitation Project (MUWSP)	MWE	861.7	2025/26	2029/30	Project Concept
63	The Africa Higher Education Centers of Excellence Impact Phase, Uganda	MoES	283.9	2024/25	2028/29	Project Concept
64	Construction of Soroti University INN Project (SUIP)	Soroti University	17.4	2025/26	2027/28	Project Concept
65	Provision of Infrastructure Development to Kabale University Phase 1	Kabale University	28.0	2021/22	2025/26	Project Concept
66	Support for Integrated Community Learning for Wealth Creation (SUICOLEW)	MoGLSD	83,076.9	2022/23	2026/27	Feasibility
	Project Idea					
67	100% Service Coverage Acceleration Project – Umbrellas Phase II	MWE	371.0	2025/26	2029/30	Project idea
68	Water and Sanitation Development Facility - East Phase III	MWE	200.3	2025/26	2029/30	Project idea
69	Water and Sanitation Development Facility - North Phase III	MWE	281.2	2025/26	2029/30	Project idea
70	Water and Sanitation Development Facility - Central (Phase III)	MWE	149.9	2025/26	2029/30	Project idea
71	Makerere University Infrastructure Improvement Project	Makerere University	184.5	2025/26	2029/30	Project idea
72	Uganda National Institute of Public Health Complex Construction	MoH	TBD	2025/26	2029/30	Project idea
73	Fort Portal Referral Hospital Rehabilitation Project	Fort Portal RRH	7.7	2025/26	2029/30	Project idea
74	Uganda Business and Technical Examinations Board Warehousing Facilities.	UBTEB	22.4	2025/26	2027/28	Project idea
75	Uganda Skills Development in Refugee and Host Communities	MoES	34.4	2023/24	2024/25	Project idea
76	Establish regional cardiac centers (Mbarara, Jinja, Hoima and Gulu)	UHI	TBD	TBD	TBD	Project idea
	REGIONAL DEVELOPMENT					
	Ongoing					
1	Local Government Revenue Management Information System	MoLG	58.6	2021/22	2025/26	Ongoing
2	Rural Development and Food Security in Northern Uganda	MoLG	123.0	2021/23	2025/6	Ongoing
3	Local Economic Growth Support	MoLG	186.48	2018/19	2024/25	Ongoing
4	Local Climate Adaptive Capacity (LoCAL) (not anywhere)	MoLG	TBD	TBD	TBD	Ongoing
5	Rural Development and Food Security in Northern Uganda (RUDSEC)	MoLG	111.2	2022/21	2025/26	Ongoing
6	Northern Uganda Action Fund 4	OPM	TBD	2023/24	2027/28	Ongoing
7	Markets and Agricultural Trade Improvement Programme	MoLG	332.0	2024/25	2028/29	Ongoing
8	Rural Development and Food Security in Northern Uganda	MoLG	655.7	2021/22	2025/26	Ongoing
9	Markets and Agricultural Trade Improvement Project 3 (MATIP 3)	MoLG	185.1	2024/25	2028/29	Ongoing
	Pipeline					
10	Dryland Integrated Development Project Phase II (DIDP II)	OPM	TBD	2023/24	2027/28	Profile
11	Support to Sustainable Development Initiatives for the Luwero Rwenzori Region	OPM	27.6	2023/24	2027/28	Profile
12	Support to Bunyoro Development - Phase II	OPM	19.3	2023/24	2027/28	Profile
13	Fourth Northern Uganda Social Fund	OPM	TBD	2023/24	2027/28	Pre-Feasibility
14	Institutional Suppport to LGFC	LGFC	7.0	2020/21	2024/25	Profile
15	UWEC Infrastructure Development Project	MoTWA	7.0	2024/25	2028/29	Feasibility
	GOVERNANCE AND SECURITY					
	Ongoing					

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
1	Enhancing Prosecution for all (EPSFA)	DPP	47.3	2017/18	2024/25	Ongoing
2	Revitalisation of Prison Industries	UPS	32.7	2017/18	2023/24	Ongoing
3	Enhancement of Prisons Production Systems and Value Addition Project	UPS	284.5	2024/25	2028/29	Ongoing
4	Construction of the Institute for Security and Strategic Studies- Uganda Infrastructure Development Project	ISO	123.9	2023/24	2027/28	Ongoing
5	Construction of the IGG Head Office Building Project	IG	107.9	2017/18	2025/26	Ongoing
6	Construction of the JLOS House	MoJCA	256.4	2015/16	27/2028	Ongoing
7	UPDF Peacekeeping Mission in Somalia (AMISOM)	MoDVA	2,629.8	2015/16	24/2025	Ongoing
8	Law Development Center Infrastructure Development Project	LDC	98.3	2024/25	28/2029	Ongoing
9	Construction of new External Security Organisation (ESO) Headquarters	ESO	77.1	2024/25	2028/29	Ongoing
10	Enhancing Prosecution Services of All (EPSFA)	DPP	47.3	2017/18	2024/25	Ongoing
11	Revitalisation of Prison Industries	UPS	32.7	2017/18	2025/26	Ongoing
	Pipeline					
12	Establishment of a Police General Hospital	UPF	TBD	2024/25	2027/28	Profile
13	National Technological Demonstration Center	State House	292.0	2024/25	2026/27	Profile
14	Law Development Center Infrastructure Development Project	LDC	TBD	2024/25	2028/29	Project Proposal
15	Construction of a 20MWNakasongola Solar Power PV Power Plant	MoDVA	91.5	2024/25	2028/29	Pre-Feasibility
16	Police Training School and Colleges Infrastructure Project	UPF	210.2	2024/25	2028/29	Profile
17	Automation of Immigration and Citizenship Control Services	NCIC	140.0	2024/26	2028/30	Pre-Feasibility
18	Access to Justice Systems Strengthening Project (AJSSP)	MoJCA	523.2	2021/22	2025/26	Profile
19	Support Refugee Settlement Phase II	OPM	45.6	2024/25	2027/28	Profile
20	Strengthening the Capacity of Fire Prevention and Rescue Services in Uganda	UPF	TBD	2024/25	2028/29	Profile
21	Police Accommodation Project	UPF	TBD	2024/25	2028/29	Profile
22	Developing Dolwe and other Rock Art Sites in Eastern Uganda into Tourism Hubs	MoTWA	20.1	2019/20	2024/25	Profile
23	Project concept for Infrastructure Development of Missions Abroad	MoFA	231.8	2020/21	2024/25	Profile
24	Electronic Policing Information System (ePIS) Project	UPF	TBD	2024/25	2028/29	Pre-Feasibility
25	Mass Enrollment and Renewal of National IDs	NIRA	563.4	2023/24	2025/26	Pre-Feasibility
26	Prisons Infrastructure Upgrade and Development project- Phase I	UPS	TBD	2024/25	2028/29	Feasibility
27	Construction and Equipping Medical Supplies at Kitante Medical Centre	ISO	3.8	2017/18	2037/38	Feasibility
28	Construction of the New Internal Security Organization (ISO) Headquarters in Entebbe	ISO	45.6	2018/19	2020/21	Feasibility
	ADMINISTRATION OF JUSTICE					
	Ongoing					
1	Construction of the Supreme Court and Court of Appeal Buildings	Judiciary	159.2	2019/20	2025/26	Ongoing
	Pipeline					
2	Improving Access to Labour Justice	MoGLSD	109.4	2022/23	2026/27	Pre-Feasibility
	LEGISLATION, OVERSIGHT AND REPRESENTATION					
	Ongoing					
1	Rehabilitation of Parliament	Parliamentary Commission	466.7	2017/18	2024/25	Ongoing
2	Completion of new Chambers for Parliament	Parliamentary Commission	TBD	2025/26	2029/30	Ongoing

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
	Pipeline					
3	Construction of office building for Parliament	Parliamentary Commission	TBD	2025/26	2029/30	TBD
4	Implement e-Parliament Project	Parliamentary Commission	TBD	2025/26	2029/30	TBD
	DEVELOPMENT PLAN IMPLEMENTATION					
	Ongoing					
1	Support to National Authorising Officer	MoFPED	6.5	2015/16	2025/26	Ongoing
2	Construction and Equipping of the Planning House	NPA	143.7	2024/25	2028/29	Ongoing
	Pipeline					
3	Construction of the National Oil Refinery	MoFPED	4,000.0	2024/25	2029/30	
4	Construction of Office Accommodation for URA Stations	URA	61.8	2025/26	2027/28	Pre-Feasibility
5	The Second Resource Enhancement and Accountability Programme (REAPII)	MoFPED	456.6	2025/26	2029/30	Concept
	INNOVATION, TECHNOLOGY DEVELOPMENT AND TRANSFER					
	Ongoing					
1	Biosciences Park (Pathogen Economy)	STI-OP	365.7	TBD	TBD	Ongoing
2	Mobility Industrial and Technology Park	STI-OP	2,078.6	TBD	TBD	Ongoing
3	4 Regional Agro-Industrial Parks (Pathogen Economy)	STI-OP	100.0	TBD	TBD	Ongoing
4	Veterinary Vaccine Institute (Pathogen Economy)	STI-OP	TBD	TBD	TBD	Ongoing
5	Uganda Digital Acceleration Program	MoICT-NG	TBD	TBD	TBD	Ongoing
6	Kiira Motors Vehicle Plant	STI-OP	TBD	TBD	TBD	Ongoing
	Pipeline					
7	UVRI Infrastructural Development Project	UVRI	TBD	2025/26	2029/30	Pre-feasibility
8	Commercialization of Sericulture Technologies and Innovations in Uganda	STI-OP	748.0	2025/26	2029/30	Pre-feasibility
9	Technology and Business Incubators development project (TBI)	STI-OP	440.0	2025/26	2029/30	Profile
10	The Shea Industrial Development Project	STI-OP	241.0	2025/26	2029/30	Profile
11	The National Space Program	STI-OP	740.7	2025/26	2029/30	Profile
12	Materials Science, Estractive Metallurgy and Nanotechnology Development Project	STI-OP	333.4	2025/26	2029/30	Profile
13	Infrastructure for Technology Innovation, Incubation and Technology Transfer Centres for Skills Development	Makerere University (College of Engineering, Design, Art and Technology (CEDAT))	77.0	2025/26	2029/30	Profile
14	Establishment of an Agrotechnology and Innovations Park (AgTIP) at Makerere University	Makerere University (College of Agricultural and Environmental Sciences)	87.6	2025/26	2029/30	Profile
15	Establishment of a Biotechnology and Agro-technology Science and Technology Park Project	STI-OP	460.0	2025/26	2029/30	Profile
	Project Idea					
16	Enhancing Research and Development In Indigenous Knowledge	STI-OP	116.7	2025/26	2029/30	Project idea

No	Project Title	MDA	Cost (Bn)	Start Date	End Date	Status at NDPIV
	MANUFACTURING					
	Pipeline					
1	Fully integrated Prisons Industries Project	Uganda Prisons	565.0	2024/25	2028/29	Feasibility
2	Development of Industrial Parks	MoTIC	TBD	TBD	TBD	Concept
	Project Idea					
3	Skills Development and Establishment Business Incubation Centres for Sustainable Enterprise Development and Employment Creation	MoTIC	71.9	2025/26	2027/28	Project idea
4	Development of Industrial Parks in Western Uganda-Phase1	UIA	2270	2025/26	2029/30	Project idea
	PUBLIC SECTOR TRANSFORMATION					
	Pipeline					
1	Gulu University Infrastructure Development Project	Gulu University	118.5	2025/26	2029/30	Proposal
2	Establishment of Civil Service College Uganda Phase II	MoPS	19.3	2025/26	2029/30	Pre-Feasibility
3	Establishment of Service-Uganda-Centers	MoPS	47.0	2025/26	2028/29	Pre-Feasibility
4	Equipping of the National Records Centre and Archives (NRCA)	MoLG	13.0	2025/26	2028/29	Pre-Feasibility
5	Strengthening the Capacity of Equal opportunities Commission	EOC	8.3	2025/26	2029/30	Profile
6	Institutional Support to Local Government Sector	MoLG	15.6	2025/26	2029/30	Profile
7	Support to PPDA	PDDA	47.2	2025/26	2029/30	Profile
8	Construction of Grade A & In-patient Block at Entebbe	Entebbe RRH	781.8	2025/26	2029/30	Profile
9	Support to State House	State House	435.3	2025/26	2029/30	Concept
10	Support To Law Development Centre	LDC	11.1	2025/26	2029/30	Concept

Annex 1.19: NDPIV Selected Bridges

SN	Bridges	SN	Bridges
1	Karuma Bridge	80	Nalwanza
2	Laropi Bridge	81	Kalupo
3	Mpondwe Bridge	82	Wandegeya-Kangalabe
4	Semliki Bridge	83	Cheborom/Sundet
5	Masindi Port Bridge	84	Yembek
6	New Katunguru Bridge	85	Getom
7	Nakiwogo Bridge across Lake Victoria	86	Sundet
8	New Pakwach Bridge	87	Khamitsaru
9	New Ssezibwa Bridge	88	Tongoi
10	Itikirwa bridge (B760) along Adjumani – Sinyanya road	89	Pakol-Pabbo

SN	Bridges	SN	Bridges
11	C558 along Adjumani – Sinyanya road	90	Abalang
12	Patongo – Okee Bridge (C623) along Potong – Okee road	91	PireJnLokwaramoe
13	Issa Bridge (B732) along Arua – Biliafe – Otrevu road	92	Limika
14	Nyara bridge (B733) along Arua – Biliafe – Otrevu road	93	Tokwe I
15	Usu bridge (B349) along Arua – Biliafe – Otrevu road	94	Kaijengye
16	C562 along along Inde – Ocoko road	95	Kishuro
17	C564 along Okollo – Inde road	96	Kiyanja
18	Nahamya bridge (B362) along Nabiganda – Kaiti road	97	Nyabutegure
19	Awere bridge (B189) along Gulu – Opit – Rackoko road	98	Buzinda Bridge
20	Agagura bridge (B323) along Gulu – Logere – Adee road	99	Kitaraka
21	Wambabya bridge (B274) along Buseruka – Kigorobya road	100	Kyoonyo
22	C159 along Muzizi – Buremba road	101	Tokwe II
23	Mpanga bridge (B268) along Rwenjaza – Kabujogera road	102	Nyanga
24	Kabira bridge (B253) along Kithoma – Kiraro road	103	Mukokye
25	Okwora bridge (B326) along Padibe – Paloga road	104	Bukwali
26	C527 along Madi – Opei _ Agoro road	105	Burora-Wilagazi
27	Omposo bridge (B333) along Moyo – Obongi road	106	Nguse
28	Lajoro bridge (B215) along Angatun – Nabilatuk – Lokapel road	107	Kambuga
29	Katuugo bridge (C011) along Katuugo – Kinyogoga road	108	Nyamirama
30	Lonene Bridge (B879) along Matany – Lokopo – Turtuko road	109	Kyabayenze
31	Katengure bridge (B079) along Kakukuru – Rubale road	110	Isango
32	Awere bridge (B189) along Gulu – Opit – Rackoko road	111	Rushango
33	C824 along Amuria – Obalanga road	112	Ekikinga
34	Okole bridge (B752) along Aduku – Teboke – Loro road	113	Wambabya
35	Korubude bridge (B352) along Mulanda – Nagongera road	114	Kanyamateke
36	Kaminima bridge (B354) along Nagongera – Merikit road	115	Kafuro
37	Kamunima bridge (B355) along Nagongera – Merikit road	116	Kahombo
38	Adeyo bridge (B882) along Mulanda – Nagongera road	117	Kafu
39	Osudan	118	Kanyaitete
40	Tanda	119	Katete

SN	Bridges	SN	Bridges
41	Airogo	120	Ncwera
42	Bufumbula - Tajar	121	Humira
43	Chemukun	122	Kirama
44	Kabunwa	123	Omurwega
45	Bunyitsa	124	Hamurwa
46	Yende	125	Burambira
47	Mazimasa-Kanyenya	126	Rubanga
48	Kayepe	127	Oliji
49	Alito, Agong and Achinga	128	AcogoGwa
50	Buhadyo-Mukombe	129	Ayumo
51	Atoot	130	Lomana Kalale
52	Kere	131	Ayugi
53	Kiroba	132	Esii
54	Bubwaya -Mangasa	133	Rego Rego
55	Nabukalisha Bridge	134	Amodo
56	Gishuli	135	Loptuk
57	Bulagaye-Buhopa	136	Bola
58	Kiwatsala Bridge	137	Okidi
59	Namakoko	138	Apa
60	Kaboloi	139	Aleka
61	Bumasifwa	140	Linya
62	Achuna	141	Endebu
63	Kagera	142	MoigaLii-Border Market
64	Tongoi	143	Odravu-Nyoro PS
65	Ssefunzi	144	Lobobore
66	Mutti- Gwa Kirevu	145	Moroto IK
67	Lwalebeleba	146	Kamothing
68	Kyakasiki Kyakajja	147	Kangole
69	Kiduduma Butologo	148	Kibira
70	Namirembe	149	Aswa/ Delight Farm

SN	Bridges	SN	Bridges
71	Namakandwa	150	Adyeri
72	Kitumbi	151	Awoo
73	Kanangalo-Kitooke	152	Kaya-Mortar
74	Mburabuzo	153	Nyagak Pa Riku
75	Rwamaabale	154	Nakadidir-Lukolwe
76	Kagera	155	Kakono-Rugogo
77	Kasoga	156	Masindi Port
78	Ddimo	157	Nyamunengo
79	Malembo	158	Kagari

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