

« FICHE CONTRADICTOIRE »

**Evaluation of the European Commission’s support to Uganda (Country level evaluation)**

(\*For details on the recommendations please refer to the main report)

Recommendations	Response of Commission services	Follow-up (one year later)
<p><b><u>1. Programme-Based Approaches (PBA)</u></b>  <b>Improve the policy dialogue effects</b> of the Programme Based Approaches (PBA) supported by the EC in Uganda, principally <b>by restructuring policy action items and triggers</b> so that they are more rigorously defined and more outcome and policy-change focussed. At the same time, the PBA policy dialogue processes should be more focused into priority areas and should take place at both political and technical levels, with the latter enabling the former.</p>	<p><b><u>Agreed</u></b>                      The recommendations have already been taken on board for the design of the 10<sup>th</sup> EDF programmes. In particular, the Joint Budget Support Framework aligns indicators, policy actions and triggers, for all participating general and sector budget support donors. The Joint Assessment Framework puts priority on key performance issues within the various sectors and on selected cross-cutting performance issues. Therefore, it can be considered a rigorous, yet focused, approach to improve the efficiency of public spending, in particular for service delivery.</p>	<p>With the creation of EEAS and the reinforcement of the political section, the Delegation's overall dialogue capacity has increased. The Delegation assures the local EU Presidency and has drafted for this purpose an agenda that includes political and cooperation issues. Moreover, the Delegation has taken the co-chair of the Joint Budget Support Group together with the World Bank with the aim to improving the efficiency of the political and technical dialogue around PBA.</p>
<p><b><u>2. Programme-Based Approaches</u></b>                      Initiate a detailed <b>joint evaluation</b>, specifically <b>to know the nature and level of the effects</b> the PBAs have had on the rural communities and their inhabitants, and to better understand the probable effects of the present Government of Uganda (GoU) strategies on rural development.</p>	<p><b><u>Disagreed as already implemented</u></b>                      The EC services believe that a number of evaluations have been conducted over the past year in order to assess the performance of PBAs funded under the 8<sup>th</sup> and 9<sup>th</sup> EDF programmes including the Court of Auditors assessment of the General Budget Support, various Results Oriented Monitoring (ROM) missions, and the Poverty Eradication Action Plan (PEAP) evaluation.                      The Uganda Bureau of Statistics (UBOS) as well as most of the line ministries are able to produce disaggregated data by district and/or by rural/urban classification, which is taken into account to assess GoU's strategies and their impact on (rural) districts.</p>	<p>No follow up action taken</p>

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<p><b><u>3. Donor influence</u></b></p> <p><b>Increase the donor influence</b> and reach of the donor community in general and the EC in particular on GoU development policy-making. As part of this process, a detailed policy dialogue strategy should be prepared along with a strategy to radically <b>improve the performance of donor coordination mechanisms</b>, especially but not uniquely with Member States.</p>	<p><b><u>Disagreed as already implemented</u></b></p> <p>Donor coordination mechanisms and donor policy dialogue with government are very well developed in Uganda.</p> <p>The National Development Plan 2010/2011 (NDP) approved in April 2010 stipulates the country's medium term direction, development priorities and implementation strategies to which Development Partners (DPs) programmes are aligned. The NDP provides a basis for determining what type and quantity of aid is required, and in which areas.</p> <p>GoU has initiated the formulation of a Partnership Policy that will spell out Uganda's priorities in the management of its relationships with DP as well as with non-state actors providing development assistance.</p> <p>According to their focal areas of intervention, donors work in technical working groups which refer to the Local Development Partners Group (LDPG) for technical issues and ultimately to the Partners for Democracy and Governance (PDG) for political guidance. LDPG and PDG group together all development partners in Uganda.</p> <p>The Delegation led a Division of Labour exercise in 2008 and has updated it every year since.</p>	<p>As mentioned in the National Development Plan (2010-2014), the Government has prepared a Partnership Policy whose purpose is to improve the consistency, management, and utilization of development assistance to Uganda in order to strengthen the nation's long term capacities to become self-reliant. The policy is intended to strengthen Government's management of official development assistance; provide a basis for Partners to engage with Government on the needs, modalities and procedures for assistance; and enable their respective constituencies to better hold Government and its Development Partners accountable for the utilization of aid and its development results.</p> <p>The Partnership policy is supplemented by a Performance Assessment Framework and a Memorandum of Understanding that will be signed by GoU and all its Development Partners.</p> <p>The Government's Annual Performance Report 2010/2011 already includes a chapter on "Development Partners and Official Development Assistance".</p>
<p><b><u>4. Service delivery</u></b></p> <p><b>Focus on the quality and quantity of service delivery</b> at sub-national levels as a means of leveraging and converging all GoU strategies for development, accompanied by heightened levels of dialogue at the national level.</p>	<p><b><u>Agreed</u></b></p> <p>Indeed, the introduction of Universal Primary Education (UPE), Universal Secondary Education, expansion of health centres at parish level, paired with the continuously high population growth rate have put enormous pressure on the quality of service delivery.</p> <p>While health and education are no longer focal sectors under the 9<sup>th</sup> and 10<sup>th</sup> EDF, they have been followed closely at the sector policy dialogue level through the general budget support programmes. Under the Joint Budget Support Framework, and in particular the Millennium Development Goals - Contract (MDG-C), a number of key performance</p>	<p>The Joint Budget Support Framework and the work done at Sector Working Groups continue to be the instruments for both policy dialogue with Government and assessment of quality and quantity of service delivery.</p> <p>However, quality and quantity of service delivery relates more broadly to the rapid population growth in Uganda. Improvements on this need to be led and coordinated by Government.</p>

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	<p>indicators, policy actions and triggers have been agreed with GoU to focus on quality. For example, key components of quality in the health sector are the reduction of drug stock-outs and improvement in human resource management. In education the literacy and numeracy rates of Primary 3 and 6 pupils are tracked, as well as completion/survival rates to Primary 7. Furthermore, worst-off districts are continuously compared to the national average in order to close the gap for, e.g. pupil-teacher ratios.</p> <p>The service delivery is analysed during the annual assessments of the Joint Assessment Framework (JAF). Being supported by specific sector reviews in education and health, these assessments provide a good tool to evaluate service delivery and accommodate policy and technical dialogue.</p> <p>GoU has made particular efforts in liberalising services and they have so far shown high interest in negotiating a chapter on services in the Economic Partnership Agreements (EPA) discussions.</p>	
<p><b>5. Transport</b></p> <p>Continue the strategic role that the EC should play in the transport sector, but <b>re-assess the priority of the interventions that will be undertaken</b> (corridors, rural roads, district level, maintenance, etc.), taking into account the priorities of the GoU but also poverty reduction objectives, rural development needs, strategic economic growth enablers, regional integration and the lessons learned over the past years in the sector.</p>	<p><b>Agreed</b></p> <p>The recommendation to reassess the priority of interventions is accepted as good practice. However, it should be noted that this reassessment and selection of areas of EC intervention needs to be led and coordinated by Government. It should also be noted that EC support to the transport sector must not be seen in isolation but rather in the context of division of labour. Finally, the choice of intervention for EC support needs to be guided by the areas in which the EC has a comparative advantage for example in terms of its financing envelope.</p> <p>Also, the transport sector should not refer only to hard infrastructure (roads etc) but also to soft infrastructure (e.g. regulation, trade and customs facilitation, technical barriers to trade –other than tariffs, etc).</p>	<p>Uganda is becoming an oil country. The 11<sup>th</sup> EDF cooperation programme will build on the Uganda National Development Plan priorities for the transport sector (road, energy, railways) and Uganda's ownership of its own development. The 11<sup>th</sup> EDF will address the transport sector needs by blending loans (to be reimbursed by oil revenues) and grants therefore creating a leverage effect. Further discussions are planned during the programming phase.</p>

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<p><b><u>6. Management Functions</u></b></p> <p>Significantly <b>improve the ability of EC managers to make decisions based on valid and comprehensive data</b>, especially but not uniquely with respect to strategic prospecting and analysis and progress and results monitoring. Much better data capture and management systems, effective knowledge management networks and long-term data layering capabilities should be made available to trained officers and their GoU counterparts.</p>	<p><b><u>Agreed</u></b></p> <p>Improving in data capture and management systems is an accepted good practice. The EC services support government in improving their capacity to data gathering and analysis (see point 2 above) rather than develop parallel systems. The Delegation gathers intelligence in 10<sup>th</sup> EDF areas of concentration but it is constrained by the number of sectors in which it is present and the lack of centralised data gathering and analysis tools.</p>	<p>Donors in Sector Working Groups share sector analysis and data. The continuous EU support to the Uganda Bureau of Statistics (UBOS) has significantly improved its capacity to provide strategic data. The monitoring capacity of GoU has reached a level of quality that is taking JBSF partners to align with government's assessment processes rather than running their own.</p>
<p><b><u>7. Non-State Actors (NSAs) development</u></b></p> <p>Based on a strategy of social inclusion, <b>improve the capacity of private and non-state actors to develop themselves</b> with punctual assistance from the EC, in particular for supporting Civil Society Organisations that promote civic participation in governance, accountability, civic education and the reform of electoral processes. That assistance should be focussed, long-term, and highly predictable, and should be based on the principle of mutual accountability between the EC and the NSAs/ private actors.</p>	<p><b><u>Agreed</u></b></p> <p>In relation to the answer under recommendation number 4, the EC services have commenced to better align the NSA budget line programme to address gaps in service delivery in the worst-off districts to complement activities under the Millennium Development Goals - Contract (MDG-C). For example, over the last two years the NSA call for proposal focused on non-formal and BTVET (Business, Technical, Vocational Education and Training) education to fill in the short- to medium term gaps in the service delivery map.</p> <p>However, any long term support under budget lines is difficult as future allocations are unpredictable.</p> <p>The Delegation does not currently have in its 10<sup>th</sup> EDF portfolio a focused and long-term capacity building programme for civil society that would ensure predictable assistance. Small grants will be allocated, however, under the 10<sup>th</sup> EDF Democratic Governance Programme to help building the beneficiaries' own capacity to promote civic participation in governance, accountability, civic education and the reform of electoral processes.</p> <p>AIDCO F1 has opened a consultation process with NSA which addresses, among other issues, how to make support funded from the thematic budget lines more strategic, better related to National Indicative Programmes, more predictable, and adapted to provide sustainable support.</p>	<p>The Delegation has started a Structured Dialogue with Civil Society that is building up on the basis that relations with Civil Society have to build on more programmatic, long term perspectives and less on opportunistic requirements. NGO umbrella organisations and individual NGOs are contributing to this Structured Dialogue.</p>

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<p><b><u>8. Environment</u></b></p> <p>Strictly <b>enforce EC policies</b> and practices concerning the environment and, if the GoU is found wanting in applying its own policies, the EC should <b>strongly engage the GoU</b> at the appropriate level.</p>	<p><b><u>Agreed</u></b></p> <p>The Delegation strengthens the integration of environment into its focal areas of cooperation (road transport and agriculture). An update of the Country Environment Profile is ongoing, looking into further integration of climate change and environment; environmental assessments are conducted for the road and agriculture sectors.</p> <p>However, environment is not among GoU's political priorities and it is not a focal sector for the EC services, yet the Delegation is active in the sector within the limits of the Division of Labour.</p> <p>The particular situation of Uganda (population increase, deforestation, etc.) could imply a next EDF focusing on environment.</p>	<p>Environment protection, climate change adaptation and mitigation, and the sustainable management of natural resources are being actively promoted through a number of EU funded interventions, through 10<sup>th</sup> EDF funded projects, the thematic budget lines, or the Climate Change Alliance initiative.</p> <p>The Delegation is backing Uganda in transposing its well developed environmental legislation into practice.</p>
<p><b><u>9. Agriculture/ Rural development</u></b></p> <p>Intensify policy and political dialogue on the necessity to <b>focus policies for the rural/agricultural sector on poverty reduction and growth with equity</b>. New agriculture/rural development priorities should be encouraged: (1) support to extension services should focus less on the introduction of profitable cash-crops with farmers with potential, and more on the promotion of integrated farms for small-holders; (2) the immediate access to agricultural inputs, small equipment and machinery should be assured (e.g. through the improvement of access to rural credit); (3) land titling should be promoted in order to reduce land conflicts and to promote investments, with a specific attention to land-titling for women (especially vulnerable women such as widows).</p>	<p><b><u>Partially disagreed</u></b> - Agreed as regards the focus on poverty reduction, but disagreed regarding the proposed development priorities.</p> <p>Government of Uganda signed in March 2010 the Agriculture Development Strategy and Investment Plan (CAADP). This policy document, while favouring a "transformation of subsistence farming into commercial agriculture", does focus on poverty reduction, farmer's group empowerment and growth with equity.</p> <p>The three priorities proposed by the evaluators are questionable and it is not clear on what evidence and comprehensive analysis they are based. 1) GoU and Development Partners (DPs) have agreed on a central mission for Ministry of Agriculture, which is to promote the transformation from subsistence farming to commercial agriculture, as the best way to reduce poverty in Uganda, and in rural areas in particular. 2) The DPs have consistently opposed GoU's tendency to use National Agriculture Advisory Services (NAADS) as an instrument for large scale inputs and equipment distribution because this is not supposed to be the role of the public sector. However, specific</p>	<p>The traditional approach to agriculture development axed in supporting the national extension service and giving access to inputs and equipment has proved to fail in Uganda.</p> <p>Uganda has a potential for agriculture development, but it requires, among other things, promoting the transition from subsistence to commercial agriculture and supporting the private sector in its intervention to improve the value chain, from production to processing, storage, marketing and commercialization. The 11<sup>th</sup> EDF will support the private sector with new financial instruments, beyond grants. Further discussions are planned during the programming phase.</p>

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	<p>programmes have been implemented by GoU and DPs to strengthen the development of the input supply private sector. Microfinance is indeed a key instrument for promoting access to inputs and equipment but past experience has shown that microcredit schemes are better implemented by financial institutions. 3) Securing access to land is key to investment in agriculture. The EU in Uganda has no particular added value in this area. Getting into this sector would require progressive and extremely cautious approaches and a political willingness of GoU which is not there yet.</p>	