

UNITED NATIONS DEVELOPMENT PROGRAMME



UNDP

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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

SECOND COUNTRY PROGRAMME FOR UGANDA

Note by the Administrator

Programme period
1983-1986

Illustrative IPF for 1982-1986
\$59.5 million

I. Nature of the programming exercise

1. The country programme has been formulated by the Government with the assistance of the Office of the Resident Representative of UNDP. The Ministry of Planning and Economic Development has co-ordinated the extensive discussions which have been held with the various technical and substantive ministries and with UNDP, through technical committees established for the purpose.

2. Although few specific country programme missions have been fielded by the participating and executing agencies of the United Nations System, the involvement of the Agency in the programming exercise has, been ensured. Their participation took place through discussions with their representatives some missions from their headquarters and discussions with their project personnel.

*The note by the Administrator concerning the previous country programme for Uganda was issued under the document symbol DP/GC/UGA/R.1/RECOMMENDATION/

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3. The following factors were considered in the selection of projects for inclusion in the country programme:

(a) The relationship of the development policy of the Government and the Recovery Programme 1982-1984;

(b) The desirability of continuing successful ongoing projects;

(c) The superiority of the United Nations system in certain fields;

(d) The availability of alternative financing, and

(e) Linkages with other ongoing or planned development activities.

4. The Cabinet endorsed the country programme on 20 January 1983.

II. Special development problems and needs of the country

5. Uganda is classified as both a least developed and a land-locked country.

6. Poor management played a major role in the drastic deterioration of the economy between 1972 and 1980. Other negative factors included the disruptions caused by the war in 1979; the ensuing political instability of 1979 and 1980; the rising costs of imports; and the serious drought and famine in parts of the country between 1979 and 1981.

7. Real GDP fell by one third and real per capita GDP by almost 40 per cent between 1972 and 1982. Few new development programmes were undertaken and obsolete or run-down plant and equipment were rarely replaced, repaired or maintained during this period. Prevailing conditions led to an exodus of persons with technical and management skills and to a severe reduction in education and training. The disruption in the economy was further exacerbated by the necessity for people to seek additional means of livelihood unmet by the monetary sector.

8. The Government introduced major economic and monetary reforms in mid-1981, with the assistance of the International Monetary Fund. Through its Recovery Programme 1982-1984, the Government is attempting to repair and rehabilitate production units and infrastructure and to reverse a decade's deterioration in its administration and economy.

9. As noted by the Mission sent to Uganda by the Secretary-General in response to General Assembly resolution 36/218 dated 17 December 1981, the country is seriously lacking in the skilled manpower and domestic resources which are required for its recovery efforts. Consequently, a large volume of external financial, material and technical assistance is urgently needed.

10. Following the war in 1979, UNDP, at the request of the Government, suspended all project activities. Despite General Assembly resolutions and those of the UNDP Governing Council in 1981 and 1982, which called for assistance to Uganda and despite appeals made by the Government at such fora

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as the World Bank Consultative Group meeting in Paris May 1982, the international community has, with a few exceptions, failed to come to the help of Uganda. At present only a few of the classical donors are offering assistance. Consequently, the second country programme of Uganda coincides with a particularly difficult period during which an immense task has to be accomplished if the country is to regain its previous economic stature. The role of the UNDP Programme is particularly crucial, given the paucity of other development assistance. It is hoped, however, that other donors can be encouraged by the Government and UNDP to enter into either bilateral or multilateral assistance arrangements.

III. Relation of the Country Programme to national development objectives

11. Following the war in 1979, the Government prepared, with the assistance of a Commonwealth team, a document entitled The Rehabilitation of the Ugandan Economy. Essentially it described the situation of Uganda and identified its most urgent needs. In 1981 the Ten Year Action Programme was prepared, comprising a long-term economic plan for the country and setting out reconstruction goals and plans for each section. The Recovery Programme 1982-1984, drawing on these two documents, forms a priority programme of policies and projects for the two years commencing July 1982. As such, the Recovery Programme constitutes a short term development plan designed to channel both domestic resources and external assistance for the early revival of the economy's productive capacity particularly in agriculture, industry and running with preference given to the rehabilitation of existing capacity.

12. Projects contained in the Recovery Programme 1982-1984 have been selected on the basis of priorities as listed in paragraph 5 of the country programme document (DP/CP/UGA/2).

13. Although the Recovery Programme 1982-1984 is primarily concerned with financial assistance, the Government recognizes the urgent need for technical assistance in the recovery of the economy. There is direct correspondence between 28 of the projects in the UNDP country programme and 19 of the projects in the Recovery Programme.

IV. Content and phasing of the country programme

14. The first country programme for Uganda covering the period 1972-1976 was approved in June 1972, but much of this programme was never implemented due to the deteriorating economic situation in the country and the changing national priorities. Although expenditure continued at a reduced level, between 1977 and 1980 conditions in the country precluded effective implementation of projects already approved and delayed preparation of the second country programme. In 1980 and 1981 activity resumed, but priority was given to relief and rehabilitation of essential services. Only a few projects remained from the first country programme. Apart from assistance in economic planning, the development of the national industrial training scheme, and assistance to three faculties at Makerere University, the second country programme, reflecting the changes in the country, has few links with the first.

15. During 1982, UNDP assistance involved mainly the continuation of selected ongoing projects, together with some preparatory activities for new projects. Ongoing projects, including those started in 1982, will utilize 53 per cent of UNDP resources programmed for 1983-1986. New projects and new phases of ongoing projects have been allocated 25 per cent of 1983-1986 resources, and a third category of objectives and activities for which projects are to be worked out at a later stage has been allocated 22 per cent. Agriculture, forestry and fisheries are the largest sector with 18.9 per cent of programmed resources closely followed by industry with 17.8 per cent. The allocation for the other sectors are general development issues, 12.9 per cent; international trade and development finance, 11.4 per cent; education 11.3 per cent; transport and communication 10.0 per cent; human settlements, 5.3 per cent; natural resources, 5.0 per cent; health, 3.2 per cent; employment, 2.5 per cent; humanitarian aid and relief, 1.2 per cent; and culture 0.4 per cent; political affairs, 0.1 per cent;.

16. Agriculture dominates the economy of Uganda, providing 90 per cent of employment and nearly all exports. UNDP assistance in rehabilitation of agricultural marketing addresses the key issues of producer pricing and credit which are central to the rehabilitation of the sector. Other UNDP assistance includes agricultural planning, dairy production, fisheries, horticultural research and development, plant protection, livestock and manufacture of agricultural equipment.

17. Though relatively small, the industrial sector in Uganda has been an important supplier for the domestic market and has good potential for further development. UNDP assistance to the National Industrial Training Scheme makes a fundamental contribution to rehabilitation of the sector. Other UNDP projects include assistance to Musika Foods Limited, the Government Printing Department and the Pulp and Paper Company. Direct assistance to the Ministry of Industry, the leather and cement industries and the national parks is also planned. The industry sector will also benefit from UNDP assistance to the Uganda Commercial Bank and the Uganda Development Bank.

18. Significant projects in other sectors include assistance in economic planning, support for East African Mediation Services, training in public administration, assistance in water and energy development, assistance to civil aviation external sector development, urban reconstruction and development, sanitation and primary health care, assistance to three faculties of Makerere University, support to labor-intensive employment and assistance to the Food Relief Department.

19. Although many of the projects are concerned with rehabilitation and are directly related to the Government Recovery Programme 1982-1984, the emphasis in the country programme is on establishing a firm base for medium and longer term development.

20. The programme contains certain catalytic elements whereby UNDP's involvement has encouraged the participation of either multilateral or bilateral donors in projects such as Anti-Poaching activities in the National Parks and the Government Printer (both with the European Economic Community) and the Crash Labour-Intensive Employment Programme (with the Netherlands).

21. Finally, the programme portrays a move towards greater emphasis on government execution, the involvement of women in development, and the utilization of United Nations Volunteers.

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